

STATE OF WISCONSIN

CIRCUIT COURT

COPY
WAUPACA COUNTY

STATE OF WISCONSIN,

Plaintiff,

v.

Case No. 2013-CF-000 78

JAY S. FISCHER, DOB: 06/24/1960
c/o MARATHON COUNTY JAIL
500 FOREST STREET
WAUSAU, WI 54403,



Defendant.

CRIMINAL COMPLAINT

Special Agent Loreen Glaman, with the Division of Criminal Investigation at the Wisconsin Department of Justice, being first duly sworn, states that:

Count 1: Securities Fraud

The above-named defendant, in or prior to January 2011, in Waupaca County, Wisconsin, directly or indirectly, willfully made an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the offer, sale, or purchase of a security, contrary to Wis. Stat. § 551.501(2), a Class H felony and upon conviction may be fined not more than \$10,000 or imprisonment not to exceed 6 years, or both, pursuant to § 551.508(1). The maximum fine for this offense may be increased by not more than \$5,000 and the maximum term of imprisonment may be increased by not more than 5 years because the defendant committed the crime against another person who is at least 65 years of age when the crime is committed, pursuant to § 551.508(1m)(a). The

court may impose a deoxyribonucleic acid analysis surcharge of \$250, pursuant to Wis. Stat. § 973.046(1g).

Count 2: Perjury

The above-named defendant, on or about August 9, 2012, in Waupaca County, Wisconsin, while under oath or affirmation, orally made a false material statement which he did not believe to be true, in a proceeding before a court, contrary to Wis. Stat. § 946.31(1), a Class H felony and upon conviction may be fined not more than \$10,000 or imprisonment not to exceed 6 years, or both. The court may impose a deoxyribonucleic acid analysis surcharge of \$250, pursuant to Wis. Stat. § 973.046(1g).

Count 3: Felony Bail Jumping

The above-named defendant, in or prior to January 2011, in Waupaca County, Wisconsin, having been released from custody on bond, intentionally failed to comply with the terms of that bond, contrary to Wis. Stat. § 946.49(1)(b), a Class H felony and upon conviction may be fined not more than \$10,000 or imprisonment not to exceed 6 years, or both. The court may impose a deoxyribonucleic acid analysis surcharge of \$250, pursuant to Wis. Stat. § 973.046(1g).

Count 4: Felony Bail Jumping

The above-named defendant, on or about August 9, 2012, in Waupaca County, Wisconsin, having been released from custody on bond, intentionally failed to comply with the terms of that bond, contrary to Wis. Stat. § 946.49(1)(b), a Class H felony and upon conviction may be fined not more than \$10,000 or imprisonment not to exceed 6 years, or both. The court may impose a deoxyribonucleic acid analysis surcharge of \$250, pursuant to Wis. Stat. § 973.046(1g).

Facts Constituting the Offenses Charged

I, the complainant, am a Special Agent (S/A) with the Division of Criminal Investigation (DCI) at the Wisconsin Department of Justice (DOJ) and base this complaint upon my own investigation along with the investigation of the other sworn law enforcement officers named within this

complaint. The reports and attachments to the reports rely upon the statements from many individuals, including witnesses, victims, and the defendant named within this complaint. I believe that the information contained within the reports and attachments is truthful and reliable. Statements attributed to the investigating officers are presumed truthful and reliable as statements from sworn law enforcement officers. Incriminating statements attributed to the defendant, are presumed truthful and reliable as statements against his penal interest. Statements attributed to the other identified parties are believed to be truthful and reliable as statements from victims and witnesses to a crime. Based upon information and belief, I state the following:

Definitions

- 1) I offer the following definitions related to terms used in this criminal complaint:
 - a) "Closing" means "[t]he culmination of any [real estate] transaction in which the interested parties or their representatives meet to execute documents, exchange funds, and transfer title to a property." Federal Financial Institutions Examination Council, The Detection and Deterrence of Mortgage Fraud Against Financial Institutions: A White Paper A-1 (2009), *available at* http://www.ffiec.gov/exam/Mtg_Fraud_wp_Feb2010.pdf [hereinafter FFIEC].
 - b) "Closing Agent" means "[a]n individual or company that oversees the consummation of a mortgage transaction at which the note and other legal documents are signed and the loan proceeds are disbursed," also termed "settlement agent" and "escrow agent." *Id.* at A-2.
 - c) "Defalcation" means "embezzlement." Black's Law Dictionary 427 (7th ed. 1999) (emphasis omitted).
 - d) "Embezzlement" means "[t]he fraudulent taking of personal property with which one has been entrusted, . . . [a]lso termed *defalcation*." *Id.* at 540.

- e) "Escrow" means "[a]n account held in trust or as security." Black's Law Dictionary at 565.
- f) "Fiduciary" means "[o]ne who owes to another the duties of good faith, trust, confidence, and candor." *Id.* at 640.
- g) "HUD-1" means "[a] standardized form prescribed by the Department of Housing and Urban Development that provides an itemization listing of funds paid at closing," including such items as the real estate "commissions, loan fees, points, taxes, initial escrow amounts, and other parties receiving distributions," also termed a "closing statement" or "settlement sheet." FFIEC at A-5.
- h) "Lapping" means "[a] fraud that involves stealing one customer's payment and then crediting that customer's account with a subsequent customer's payment." *Id.*
- i) "Laundering" means "[t]he federal crime of transferring illegally obtained money through legitimate persons or accounts so that its original source cannot be traced ... [a]lso termed money-laundering." Black's Law Dictionary at 889.
- j) "Security" means "a note; stock; treasury stock; security future; bond; debenture; evidence of indebtedness; limited partnership interest; life settlement investment or similar agreement; certificate of interest or participation in a profit-sharing agreement; collateral trust certificate; preorganization certificate or subscription; transferable share; investment contract; voting trust certificate; certificate of deposit for a security; fractional undivided interest in oil, gas, or other mineral rights; put, call, straddle, option, or privilege on a security, certificate of deposit, or group or index of securities, including an interest therein or based on the value thereof; put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency; or, in general, an interest or instrument commonly known as a 'security'; or a certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing." Wis. Stat. § 551.102(28).

- k) "Settlement Fraud" means "the diversion or embezzlement of funds for uses other than those specified in the lender's closing instructions" such as "the failure to satisfy/pay off mortgage loans after closings," also termed "title fraud" and "non-satisfaction of mortgage." Federal Bureau of Investigation, 2010 Mortgage Fraud Report Year in Review 18-19 (2011), *available at* <http://www.fbi.gov/stats-services/publications/mortgage-fraud-2010/mortgage-fraud-report-2010> [hereinafter FBI].
- l) "Straw Buyer" means "[a] person used to buy property or borrow against property in order to conceal the actual owner [where] [t]he straw buyer does not intend to occupy the property or make payments and often deeds the property to the other individual immediately after closing [with] [t]he straw buyer ... usually [being] compensated for use of his identity." FFIEC at A-9.
- m) "Title Agent" means "a person or firm that is authorized on behalf of a title insurer to conduct a title search and issue a title insurance report or title insurance policy." *Id.*
- n) "Title Company" means the "[e]ntity that researches recorded ownership of and liens filed against real property and then issues a title insurance policy guaranteeing the lien position of the lender or provides a title opinion." *Id.* at A-9.

Summary

- 2) The defendant, Jay Fischer (Fischer), operates a business named Crazy J's Campground, Inc., (campground), which has an address listed as N11301 Kinney Lake Road in Waupaca County, Wisconsin. According to Wisconsin Department of Financial Institutions (DFI) records, Fischer registered Crazy J's Campground, Inc., as a corporation in November 2010. The DFI records show that Fischer drafted the incorporation document and is the listed incorporator for the campground. The DFI records confirm that the campground is an enterprise as a registered corporation with DFI. Fischer also operates a business named Professional Closing Services, Inc. (Professional Closing), which presently utilizes the same business address as the campground. Fischer previously operated businesses named Valley Title, Inc., (Valley

Title), Home in One, and Wellcome Home Services, LLC, which were located in Marathon County, Wisconsin.

- 3) My investigation into the criminal charges in this Waupaca County case began from an investigation into Fischer's operation of Valley Title in Marathon County. Fischer allegedly violated his fiduciary duty by perpetrating a settlement fraud scheme. Based upon the investigation, Fischer was charged with racketeering activity, theft by virtue of a business or employment (embezzlement), fraudulent writing by obtaining a signature by deceit, and tax crimes in Marathon County Case No. 12-CF-0467. Fischer allegedly committed the crimes through his operation of Valley Title, where he served as the closing agent for real estate transactions. In 2009 to 2010, as part of Fischer's operation of Valley Title, he was the title agent for the Old Republic National Title Insurance Company (Old Republic).
- 4) Douglas F. Pollock (Pollock), a Certified Fraud Examiner (CFE), retained by Old Republic summarized the defalcation that occurred in eight transactions investigated by the title company. Pollock generated a report that included the following statement:

On Monday, September 19, 2010 . . . Fischer first stated that he was "rolling over" and asking for mercy from Old Republic. Fischer initially stated he believed the shortage in the escrow account amounted to approximately \$700,000. He believed the loss was restricted to eight closing files that he had not paid off the prior mortgages. Fischer showed us a stack of closing files, identified them as the files that had not been paid off as required After totaling the amount of the outstanding mortgages, Fischer agreed the shortage was in excess of \$976,000 instead of the \$700,000 he originally estimated. Fischer recounted that his problem with taking money from the escrow account started in 2007 when . . . he had to pay \$15,000 in legal fees. While he intended to replace the money from his fees and other income from the associated business, the economy collapsed and he was unable to replace the money in the escrow account. From that point into 2009, Fischer describes his actions as a "lapping scheme" where new money coming in to fund transactions was actually being used to fund previous closing transactions. As business continued to decline, he was unable to pay-off prior mortgages in full and began making debt service payments on selected files.

Pollock explained that he conducted a second interview with Fischer and he memorialized the interview in the report, which included the following:

On Tuesday, September 21, 2010 a follow up visit was scheduled with Fischer at Valley Title. . . . During the course of the second interview, Fischer stated . . . [t]he first money he took from escrow was to pay attorney's fees . . . [of] approximately \$5,000 to \$7,000 in November 2007. [] He identified a replacement lawyer . . . [he paid] approximately \$20,000 to \$25,000 during the period from 2007 to approximately March 2008 . . . [and] another \$15,000 to \$20,000 during the period of June 2009 until now. . . . We then spoke with Fischer about the disposition of the money stolen from escrow. Fischer states that approximately \$200,000 was given to . . . Home and One Mortgage and that another \$100,000 was given to Welcome Home Mortgage and that the money was used to pay the operating expenses of both companies. Specifically, Fischer recalled that in 2007 he had to take money from the escrow account and deposit it into the account of Home in One Mortgage to pay an appraisal bill in the amount of \$16,000. He also recalled that the money he took from escrow to fund both companies was in even dollar amounts of \$3,000 to \$4,000 each and that there was no identifying information on the face of the checks to identify a particular file. . . . Fischer states money was taken from the escrow account to pay the operating expenses of Valley Title. He estimated the amount taken from escrow to fund the operation of the title agency at \$200,000 to \$300,000 since 2007. He based this on the monthly operating expense of \$20,000 per month, not including his salary and income. [] Fischer also identified a bank loan that was paid from the escrow account. Fischer states that after his bankruptcy in 2002, he obtained a loan from Abby Bank for \$240,000. This loan has now been paid down to about \$40,000. He states that some of the escrow money was used to pay down this loan. [] Fischer also identified HomeQ as the mortgage servicing agent on his residence. Fischer states most of the money used to pay the mortgage interest, principal, taxes and insurance came from the Valley Title escrow account. He believes that at least \$50,000 in payments originated from the escrow account for this purpose.

Pollock's report explained that, during the September 21 interview, Fischer discussed his plans to purchase the campground:

Fischer also provided information that Professional Closings is managing a campground . . . [and] [t]hey are . . . currently receiving the money through Professional Closings for that purpose. Fischer states he has an agreement with the bank to purchase the campground for the outstanding loan of \$3 million. He says a current appraisal shows the business valued between \$5 to \$6 million and that the previous owner was being paid \$250,000 per year in salary after expenses. His plan is to purchase and resell the property for a profit.

Pollock's report states that Fischer signed a confession judgment. A record from the Register of Deeds for Marathon County shows that document number 1578324 is the affidavit of confession judgment signed by Fischer on September 21, 2010. The confession judgment includes Fischer's admission that he "failed to . . . payoff prior mortgages" and he owes Old Republic "the sum of \$1,102,854.39."

- 5) I received reports from Special Investigator (S/I) Charles Jones of Marathon County related to two additional transactions where Fischer did not initially pay off mortgages as required. In both transactions, the property owners discovered the lack of payoff and repeatedly contacted Fischer regarding his failure to pay off the old mortgages. Fischer ultimately satisfied these two mortgages only after repeated contacts from the property owners.
- 6) Fischer purchased the campground in January 2011. Fischer allegedly used stolen money toward the purchase of the campground. Fischer also allegedly committed securities fraud to secure additional money for the purchase. Fischer later testified about the purchase before a court where he allegedly committed perjury. Fischer had one felony bail bond pending at the time of the securities fraud and two felony bail bonds pending when he testified. Any crimes during the pendency of the bonds would form the basis of potential bail jumping charges. In order to understand the crimes contained within this complaint, it is helpful to first understand Fischer's campground purchase. Therefore, this complaint provides information regarding the purchase before describing the basis for the perjury, securities fraud, and bail jumping counts.

Purchase of Campground

- 7) On January 14, 2011, Fischer purchased the campground from Dupaco Community Credit Union (Dupaco) through a straw buyer. The straw buyer was Daniel Johnson. Fischer later explained in a court hearing in Waupaca County Case No. 12-CV-0362 that he used Johnson as the straw buyer because "Dupaco would not, could not sell" the campground directly to him "because of credit issues and other items." Mot. Hr'g Tr. 13-14 (Aug. 9, 2012). Based upon the investigation, I learned that Fischer filed for bankruptcy in 2002 and received an order discharging debtors with a final decree in 2003, recorded in the U.S. Bankruptcy Court for the Western District of Wisconsin, as a Chapter 7 bankruptcy. The settlement statement, commonly known as a HUD-1, shows that Dupaco sold the campground for \$3.1 million to Johnson. As part of the sale, Johnson made a 10 percent down payment toward the campground purchase in the amount of \$310,000.00. At the same time as Dupaco sold the campground to Johnson, Fischer entered into a land contract with Johnson. S/I Jones and I received a copy of the land contract from Johnson. The land contract shows that Fischer purchased the campground from Johnson for \$3.1 million with a 10 percent payment toward the purchase in the form of \$310,000.00. Therefore, Fischer provided Johnson with the 10 percent down payment needed for Johnson to purchase the campground from Dupaco. An amendment to the land contract showed that Johnson also received a \$100,000.00 fee from Fischer for serving as the straw buyer.

- 8) Fischer made the 10 percent down payment of \$310,000.00 beginning with payments totaling \$100,000.00 in 2010. A document entitled "Assignment of Escrow Payment," shows that the initial \$100,000.00 toward the down payment came in the form of two \$50,000.00 payments by Fischer on March 23 and June 16, 2010. A review of Fischer's financial records show that Fischer made the payments from the following trust accounts:

Financial Institution	Account Name	Account No.*	Date	Amount
Associated Bank	Valley Title, Inc.	••••• 4985	03/23/2010	\$ 50,000.00
AbbyBank	Valley Title, Inc.	•• 4022	06/18/2010	50,000.00
Total:				\$ 100,000.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

The first of the two payments occurred by a money transfer from Fischer to Dupaco, whereas the second payment occurred by Fischer issuing check number 13425 to Dupaco, which was dated June 11, 2010. Based upon my investigation and experience, the differing dates in June 2010 are consistent with the reasonable amount of time that transpires between writing, issuing, and depositing a check at a financial institution.

- 9) Fischer made the remaining balance on the 10 percent down payment of \$310,000.00 with a \$210,000.00 payment in January 2011. Fischer obtained this money from four investors. Fischer issued four promissory notes to the investors. Fischer then obtained checks from them, which were deposited into Johnson's business trust account:

Financial Institution	Account Name	Account No.*	Date	Amount
Bank of Wausau	Johnson Realty	•• 0196	01/10/2011	\$ 100,000.00
Bank of Wausau	Johnson Realty	•• 0196	01/10/2011	50,000.00
Bank of Wausau	Johnson Realty	•• 0196	01/10/2011	50,000.00
Bank of Wausau	Johnson Realty	•• 0196	01/10/2011	50,000.00
Total:				\$ 250,000.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

Johnson wired the \$210,000.00 payment to the closing company handling the campground transaction. Johnson also paid a \$20.00 wire fee so he withdrew \$210,020.00 for this transaction on or about January 13, 2011. Based upon Fischer providing Johnson with \$250,000.00 for the balance of \$210,000.00, Johnson issued a check to Fischer for \$40,000.00 to account for the overpayment. Johnson's wife, Corinne Johnson, signed check number 1115 in the amount of \$40,000.00, which was dated January 13, 2011. The \$40,000.00 check originated from Johnson's

business trust account at Bank of Wausau, in an account ending with the last four numbers 0196. Fischer deposited the \$40,000.00 check into an account for Professional Closing Services at Premier Community Bank, in an account ending with the last four numbers 3098. The bank slip states that the deposit occurred on January 17, 2011.

- 10) Fischer paid Johnson a straw buyer fee as reflected in the amendment to the land contract. The amendment to the land contract stated a fee of \$100,000.00, but Fischer's payments exceed the amount by \$2,500.00. According to Johnson, Fischer made the payment toward the fee in the form of multiple payments. Fischer issued check number 1267, dated January 14, 2011, to "MIH, LLC" in the amount of \$55,000.00 for a "rent expense" under an account for Professional Closing Services at Premier Community Bank, in an account ending with the last four numbers 3098. Fischer also issued a check dated January 25, 2011, to "MIH, LLC" in the amount of \$47,500.00 for "fees earned" under an account for Crazy J's Campground at Dupaco, in an account ending with the last four numbers 2378. Johnson explained that "MIH" stands for "make it happen," which was a business he operated. A review of Fischer's financial records show that Fischer made the payments as follows:

Financial Institution	Account Name	Account No.*	Date	Amount
Premier Bank	Professional Closing	••• 3098	01/20/2011	\$ 55,000.00
Dupaco	Crazy J's	••••• 2378	01/27/2011	47,500.00
Total:				\$ 102,500.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

Fischer obtained the funds for the \$47,500.00 payment by transferring the money between his Dupaco accounts for Crazy J's Campground, transferring the money from an account ending with the last four numbers of 2386 to an account ending with the last four numbers of 2378. Fischer transferred the funds on January 27, 2011.

- 11) As part of the campground purchase, the settlement statement shows that the straw buyer received \$76,522.23 at the time of closing. The buyer received money at closing, as opposed to owing money, because of campground renewals. The settlement statement calculated the annual renewals at \$185,258.75. The settlement statement describes the

renewals as "Pre Payments on Annual Sites . . . for 2011 Pre payments." The settlement statement showed the straw buyer owed \$108,736.52 in charges at the time of closing, but the renewals converted what would have been money owed by the buyer at closing into cash back to the buyer at closing in the amount of \$76,522.23, which was the difference between the prepayments and amount owed. Records from Fischer's Dupaco accounts for Crazy J's Campground confirm the deposit of \$69,975.00 on January 19, 2011, into an account ending with the last four numbers of 2378. The Dupaco records describe the deposit as a "Transfer from Daniel K. Johnson." Such an amount is generally consistent to the amount of cash back received by Johnson at the closing. Fischer then transferred the \$69,975.00 into the Dupaco account ending with the last four numbers of 2386 on January 21, 2011. Fischer returned most of these funds back to Johnson in the form of the \$47,500.00 payment described above in para. (10).

- 12) The exchange of money between Johnson and Fischer at the time of the campground purchase resulted in Fischer ending the transaction with a small cash surplus, but with significant debt obligations. Fischer borrowed \$250,000.00 toward a \$210,000.00 down payment, which left Fischer with \$40,000.00 cash on hand. Fischer also received \$69,975.00 from Johnson for the cash due the borrower at the time of closing. Although Fischer netted \$69,975.00 and \$40,000.00 from the closing, he had to pay most of these proceeds back to Johnson as part of the straw buyer's fee. As noted in para. (10), Fischer actually made the \$100,000.00 fee in the form of two payments that totaled \$102,500.00. As a result, Fischer had a modest surplus following these four transactions:

Financial Institution	Account Name	Account No.*	Date	Amount
Premier Bank	Professional Closing	••• 3098	01/17/2011	\$ 40,000.00
Dupaco	Crazy J's	••••• 2378	01/19/2011	69,975.00
Premier Bank	Professional Closing	••• 3098	01/20/2011	- 55,000.00
Dupaco	Crazy J's	••••• 2378	01/27/2011	- 47,500.00
Total:				\$ 7,475.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

Fischer incurred a significant debt obligation as part of the closing because he owed \$250,000.00 to his four investors. The closing also eviscerated a significant amount of the campground's revenue for the upcoming year because the closing applied annual renewals toward the fees and cash back to the borrower, as described in para. (11). Fischer even used \$100,000.00 from his Valley Title trust accounts toward the purchase, as shown in para. (8). In a court hearing in Waupaca County Case No. 12-CV-0362, Fischer later acknowledged that the closing left him unable even to record the land contract due to "cash flow management" because it "took every ounce that we had to purchase the property." Mot. Hr'g Tr. 14 (Aug. 9, 2012).

Perjury

- 13) Based upon my investigation, I have probable cause to believe that Fischer committed perjury on or about August 9, 2012, in Waupaca County, Wisconsin. Fischer made an oral statement while under oath or affirmation in a proceeding before a court in Waupaca County Case No. 12-CV-0362. The statement involved Fischer alleging that he used money obtained from Dupaco toward the down payment for the campground purchase. The statement was false because Fischer did not have Dupaco funds in the accounts he used for the down payment. Fischer would have known the statement was false because he was responsible for his various business accounts and even laundered money from one account and into other accounts for purposes of concealing the source of some funds used toward the down payment. Fischer made the false statement in an attempt to conceal the use of stolen funds toward the down payment. Fischer's false statement was material to the proceeding, as demonstrated by a statement made by Fischer's attorney in a subsequent hearing on August 16, 2012: "There have been repeated statements . . . that money that was stolen was put into this transaction," but "[t]here is no evidence of that whatsoever." Mot. Hr'g Tr. 17 (Aug. 16, 2012). The following paragraphs within this section provide additional information regarding the charge of perjury, including showing how Fischer used accounts with stolen funds toward the campground purchase.
- 14) On July 26, 2012, Old Republic filed a summons and complaint against Fischer along with many additional co-defendants in Waupaca County

Case No. 12-CV-0362. The court conducted a motion hearing in the case on August 9, 2012. At the hearing, Fischer's attorney called Fischer to testify. A transcript from the hearing shows that the court properly administered an oath with Fischer being duly sworn prior to his testimony. A portion of the attorney's questions and Fischer's responses from the hearing included:

Q How much money did you have to put down for a down payment?

A The total down payment was \$310,000.

Q Okay. Where did that money come from?

A During the course of operating season 2010 we secured some funds from Dupaco Community Credit Union to operate the campground for them, and we had some of that funds. And then we also had borrowed funds from some of our campers that became acquaintances of ours, and we had promissory notes with some of the campers that were out there.

Mot. Hr'g Tr. 15 (Aug. 9, 2012). Old Republic's attorney cross-examined Fischer at the hearing in the following exchange:

Q Exhibit 1 is the land contract between the Johnsons and Crazy J's Campground, Inc.

A Correct.

Q All right. If you go about a little more than half down the page, it identifies this \$310,000 payment.

A That's correct.

Q Did you make that payment?

A Yes, we did.

Q Who did you make that payment to?

A It would have been paid through the closing with Dupaco Community Credit Union. There was a closing held at Stewart Title Agency's office in Waupaca County.

Q The closing was at Stewart Title?

A Correct.

Q And you're sure of that?

A It was an agent of Stewart Title. I'm not-- Again, I don't recall exactly what name or what specific they had, but it was through a Stewart Title office.

Q And you're sure it was at Stewart?

A Or their agent.

Q But let me go back to my question. Who did you make the \$310,000 payment? Not on the closing with Dupaco, but who did you make the \$310,000 payment on the land contract to?

A Those funds were wired to Dupaco Community Credit Union.

Mot. Hr'g Tr. 18-19 (Aug. 9, 2012).

- 15) Fischer claimed under oath to have used funds from two sources to pay the \$310,000.00 down payment. First, Fischer testified that he used money Dupaco paid him to "operate the campground for them" during "the course of operating season 2010." Second, Fischer testified that the remaining money came from "borrowed funds from some of our campers" where he "had promissory notes with some of the campers." The documents obtained in this investigation show that the promissory notes occurred in January 2011, which accounted for \$210,000.00 out of the \$310,000.00 down payment. Therefore, Fischer alleged that the remaining \$100,000.00 originated from money Dupaco paid him in 2010. Based upon the documents obtained in this investigation, the \$100,000.00 payment came in the form of two \$50,000.00 payments by Fischer on March 23 and June 16, 2010, as described previously in para. (8). During Fischer's testimony, he suggested that the down

payment was “paid through the closing with Dupaco” at “a closing held at Stewart Title” where the down payment “funds were wired to Dupaco.” In actuality, the funds were paid prior to the closing in March 2010, June 2010, and January 2011.

- 16) I spoke with Senior Vice-President John Koppes at Dupaco who explained that Dupaco paid Fischer to manage the campground in 2010. Vice-President Koppes explained that the previous owner of the campground relinquished the campground to Dupaco in approximately January 2010. Vice-President Koppes explained that Fischer managed the campground from April 1 to October 10, 2010. Fischer received payment of \$10,000.00 per month for managing the campground for a total of \$70,000.00. Vice-President Koppes stated that the payment dates and amounts varied, but the total payments equaled \$70,000.00. Vice-President Koppes explained that, in May 2010, Fischer borrowed money from Dupaco for the purchase of a camper. Fischer made a \$5,000.00 payment on this loan on July 20, 2010, by using the management fee, which was made directly to the loan by Dupaco. Therefore, Fischer’s \$70,000.00 management payments equaled \$65,000.00 after adjusting for the \$5,000.00 payment made directly on the camper loan.
- 17) Records obtained from Dupaco confirm that Fischer received a total of \$65,000.00 in payments from Dupaco. Fischer deposited the first payment of \$5,000.00 on or about March 30, 2010, into his Professional Closing account at AbbyBank in an account ending with the last four digits of 3735. Fischer then initially deposited the remaining six payments as follows:

Financial Institution	Account Name	Account No.*	Date	Amount
Associated Bank	Valley Title, Inc.	•••••• 4985	04/21/2010	5,000.00
Associated Bank	Valley Title, Inc.	•••••• 4985	05/19/2010	5,000.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	06/10/2010	10,000.00
Associated Bank	Valley Title, Inc.	•••••• 4985	07/08/2010	5,000.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	09/16/2010	15,000.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	11/23/2010	20,000.00
Total:				\$ 60,000.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

After making these six deposits, Fischer then laundered the money out of the Valley Title trust account. Fischer made the transfers primarily by writing the checks from the Valley Title trust account under check numbers: 17048, 17146, 17187, 17268. Fischer then deposited these four checks into a Professional Closing account at AbbyBank. Fischer also converted money to a Professional Closing account at Premier Bank. The following table summarizes Fischer's transfer of these funds:

Financial Institution	Account Name	Account No.*	Date	Amount
AbbyBank	Professional Closing	• • 3735	04/23/2010	5,000.00
Premier Bank	Professional Closing	• • • 3098	06/23/2010	5,000.00
AbbyBank	Professional Closing	• • 3735	07/01/2010	10,000.00
AbbyBank	Professional Closing	• • 3735	07/19/2010	5,000.00
AbbyBank	Professional Closing	• • 3735	09/20/2010	15,000.00
Premier Bank	Professional Closing	• • • 3098	(See Below)	20,000.00
Total:				\$ 60,000.00

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

With respect to the last deposit of \$20,000.00, Fischer employed a different method for transferring the money out of the Valley Title trust account. Fischer converted the \$20,000.00 to a cashier's check, number 3685003, on November 23, 2010. Fischer then converted the cashier's check into a \$14,000.00 cashier's check, number 2005005540, and deposited the balance of \$6,000.00 back into the Valley Title trust account on March 4, 2011. On the same day, Fischer withdrew the \$6,000.00 from the Valley Title trust account and deposited the money into his Professional Closing account at Premier Community Bank under account number ending in the last four digits of 3098. On April 1, 2011, Fischer then deposited the \$14,000.00 cashier's check into the same account at Premier Community Bank.

- 18) Fischer's deposit of the Dupaco funds initially into his Valley Title trust account created the superficial appearance that Fischer used Dupaco funds toward the purchase of the campground. A closer examination shows several problems with such an assertion. Fischer had not obtained sufficient funds from Dupaco at the time of the two \$50,000.00 payments on March 23 and June 16, 2010. Therefore, the money had to come from another source. Moreover, Fischer did not have Dupaco funds

stored and maintained in his Valley Title trust accounts capable of making the a \$100,000.00 down payment. Fischer did not deposit the Dupaco funds into his Valley Title trust account at AbbyBank so money from that account did not come from Dupaco. Similarly, Fischer transferred the Dupaco funds from his Valley Title trust account at Associated Bank into other accounts shortly after receipt of each payment. Therefore, Fischer never had Dupaco funds sufficiently within his Valley Title trust accounts capable of making the \$100,000.00 down payment. He never even received enough money from Dupaco capable of making \$100,000.00 in payments. Contrary to Fischer's testimony on August 9, 2012, the money from the Valley Title trust accounts used toward the down payment did not come from Dupaco.

- 19) Fischer used stolen funds from his Valley Title trust accounts toward the \$100,000.00 down payment for the campground. Fischer is charged with racketeering activity, theft by virtue of a business or employment (embezzlement), fraudulent writing by obtaining a signature by deceit, and tax crimes in Marathon County Case No. 12-CF-0467. In the Marathon County case, Fischer allegedly deposited the following fraudulently obtained funds into his Valley Title trust account at Associated Bank:

Financial Institution	Account Name	Account No.*	Date	Amount
Associated Bank	Valley Title, Inc.	••••••• 4985	07/22/2009	\$ 248,101.15
Associated Bank	Valley Title, Inc.	••••••• 4985	08/19/2009	56,941.02
Associated Bank	Valley Title, Inc.	••••~•• 4985	08/31/2009	86,804.04
Associated Bank	Valley Title, Inc.	••••~•• 4985	02/23/2010	84,922.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	02/26/2010	99,515.29
Associated Bank	Valley Title, Inc.	••••~•• 4985	03/29/2010	82,611.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	04/28/2010	119,200.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	07/22/2010	80,496.64
Associated Bank	Valley Title, Inc.	••••~•• 4985	08/30/2010	50,000.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	09/01/2010	120,000.00
Associated Bank	Valley Title, Inc.	••••~•• 4985	09/07/2010	- 13,645.07
Associated Bank	Valley Title, Inc.	••••~•• 4985	09/14/2010	32,884.04
Total:				\$ 1,047,830.11

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

Fischer also allegedly deposited the following stolen funds into his Valley Title trust account at AbbyBank:

Financial Institution	Account Name	Account No.*	Date	Amount
AbbyBank	Valley Title, Inc.	•• 4022	09/02/2010	\$ 7,009.38
AbbyBank	Valley Title, Inc.	•• 4022	09/08/2010	186,804.07
Total:				\$ 193,813.45

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

At the time of Fischer's \$100,000.00 down payment, he had sufficient stolen funds to make these payments. By March 23, 2010, Fischer had deposited hundreds of thousands of dollars of stolen funds into his Valley Title trust account at Associated Bank. As of June 16, 2010, Fischer had not yet deposited stolen funds into his Valley Title trust account at AbbyBank, but he later used the AbbyBank trust account as a repository of stolen funds. Fischer falsely testified about the source of the \$100,000.00 used for the down payment. As a charged defendant in the Marathon County case at the time of Fischer's testimony in Waupaca County Case No. 12-CV-0362, he had a motive to provide false testimony. Fischer's motivation to commit perjury was amplified by an amended criminal complaint in the Marathon County case, which had been filed the day before Fischer's testimony in the Waupaca County case. The amended complaint specifically identified the campground as subject for criminal forfeiture based, in part, upon Fischer having used stolen funds toward its purchase.

- 20) Fischer also received some reimbursements from Dupaco for expenses incurred in 2010, but such funds were not used toward the campground down payment. Vice-President John Koppes described these additional payments as costs for repairs to a campground swimming pool and some extra labor expenses due to storm damage. Vice-President John Koppes said that he verified the additional payments for the extra costs and repairs. He provided records for these additional payments. Records show that Fischer deposited these payments as follows:

Financial Institution	Account Name	Account No.*	Date	Amount
Associated Bank	Valley Title, Inc.	•••••• 4985	06/10/2010	\$ 13,254.22
Associated Bank	Valley Title, Inc.	•••••• 4985	07/15/2010	22,565.22
Associated Bank	Valley Title, Inc.	•••••• 4985	07/16/2010	5,520.49
Premier Bank	Professional Closing	••• 3098	09/24/2010	38,501.06
Premier Bank	Professional Closing	••• 3098	10/20/2010	18,863.33
Total:				\$ 98,704.32

Note: For purposes of this complaint, only the last four digits of bank account information is provided.

Shortly after depositing the first three reimbursements into the Valley Title account, Fischer withdrew the funds from this trust account. Fischer withdrew these funds by issuing check number 17133, dated June 11, 2010, check number 17188, dated July 15, 2010, and check number 17192, dated July 20, 2010. He wrote the first check for \$13,254.22, the second check for \$22,565.22, and the third check for \$5,520.49. Fischer wrote these checks payable to "P.C.S." and then deposited them into a Professional Closing account at AbbyBank ending in the last four digits of 3735. Records show deposits in the accounts of \$13,254.22 on June 11, 2010, \$27,565.22 on July 16, 2010, and \$5,520.49 on July 20, 2010. The second deposit included one of the \$5,000.00 management fee payments noted in para. (17), which explains the reason for the deposit amount. Any difference reflected within the date of the deposit is consistent with the typical amount of time that passes from issuance of a check to deposit and withdrawal of the funds. Fischer did not use the \$98,704.32 reflected within this paragraph for the down payment toward the campground because Vice-President John Koppes described these payments as covering actual expenses or costs at the campground. Moreover, Fischer never alleged that he used these payments in such a manner; to the contrary, he testified that the \$100,000.00 down payment originated only from his management fee for operating the campground for Dupaco, as stated in para. (14).

- 21) Fischer committed perjury by making a false material oral statement which he did not believe to be true while under oath or affirmation in a proceeding before a court, on or about August 9, 2012. Fischer knew that he only received \$70,000.00 from Dupaco "to operate the campground for them," so it could not account for a \$100,000.00 down payment. Fischer also knew that he made the \$100,000.00 down payment in the form of

two \$50,000.00 payments in March and June 2010. Fischer further knew that he had not received any money from Dupaco for operating the campground at the time of the \$50,000.00 payment in March 2010. Fischer also knew that he did not deposit any of the money from Dupaco for operating the campground into the Valley Title trust account at AbbyBank, which was the source of the \$50,000.00 payment in June 2010. Fischer also engaged in a laundering scheme to deposit Dupaco funds into the Valley Title trust account at Associated Bank and then transfer the funds to other accounts. Fischer admitted in a notarized statement that he “failed to . . . payoff prior mortgages” totaling in excess of \$1.1 million, as stated in para. (4). Fischer knew about his misuse of funds and made a false statement in an attempt to conceal his use of stolen funds toward the down payment.

Securities Fraud

- 22) Based upon my investigation, I have probable cause to believe that Fischer committed securities fraud in or prior to January 2011, in Waupaca County. Fischer offered or sold a security as defined by Wisconsin law through the issuance of four promissory notes. Fischer made untrue statements of material facts in connection with the notes. Fischer also omitted to state material facts necessary to make the statements made not misleading. Both individually and collectively, Fischer’s untrue and omitted facts were material because such facts could be expected to influence a reasonable investor in making a decision whether to invest. Fischer acted willfully, as demonstrated by Fischer having firsthand knowledge about facts and circumstances surrounding the untrue and omitted facts. The following paragraphs within this section provide additional information regarding the charge of securities fraud.
- 23) Fischer offered or sold a security through the issuance of four promissory notes. In this case, Fischer obtained four investors who collectively provided him with \$250,000.00 toward the purchase of the campground. The investors provided the money to raise capital toward this enterprise. The investors received the promissory notes on or about January 7, 2011, where Fischer offered ten percent interest on the investment to be paid on April 15, 2011. Fischer issued the promissory notes in order to

purchase the campground. Fischer received the money in the form of four checks from the following financial institutions:

Financial Institution	Pay to the Order of	Date	Amount
Community First Credit Union	Jay Fischer	01/06/2011	\$ 100,000.00
JPMorgan Chase	Jay Fischer	01/07/2011	50,000.00
Citizens Bank	Jay Fischer	01/07/2011	50,000.00
Pioneer Credit Union	Jay Fischer	01/07/2011	50,000.00
Total:			\$ 250,000.00

The checks then were deposited into the straw buyer's business account as identified in para. (9). Upon receiving the payments, Fischer issued promissory notes using a similar standardized form for each of the four investments. For the \$100,000.00 investment from the Community First Credit Union account, the promissory note stated that Fischer would pay the investor \$110,000.00 on April 15, 2011. The amount included the principal of \$100,000.00 and \$10,000.00 in interest. For the three \$50,000.00 investments, the promissory notes stated that Fischer would pay the investors \$55,000.00 on April 15, 2011. The amount included the principal of \$50,000.00 and \$5,000.00 in interest.

24) My investigation revealed several material facts in connection with Fischer's issuance of the promissory notes to the investors. A material fact includes those facts that could be expected to influence a reasonable investor in making a decision whether to purchase an investment. The following material facts exist in this case:

- a) Debt Obligation: Fischer signed a confession judgment on September 21, 2010, that "authorize[d] the entry of judgment . . . in the sum of \$1,102,854.39," as stated in para. (4).
- b) Money Mismanagement: Fischer signed a confession judgment on September 21, 2010, where he admitted that he "failed to . . . payoff prior mortgages," resulting in a loss in excess of one million dollars, as stated in para. (4).

- c) Denied a Loan: Fischer initially attempted to purchase the campground directly from Dupaco, but Dupaco declined the direct purchase, as stated in para. (7).
- d) Bankruptcy: Fischer previously filed for bankruptcy in 2002 and received an order discharging debtors with a final decree in 2003, as stated in para. (7).
- e) Trust Account Funds: Fischer used \$100,000.00 from Valley Title trust accounts toward the campground down payment, as stated in para. (8).
- f) Straw Buyer: Fischer used a straw buyer and paid the straw buyer a \$100,000.00 fee to purchase the campground, as stated in para. (10).
- g) Annual Renewals: Fischer used prepayments for annual site renewals toward the closing costs, as stated in para. (11)

A reasonable investor would want to know these facts when making a decision whether to purchase an investment. A reasonable investor would want to know about Fischer's lack of creditworthiness, as reflected above in subs. (a), (c), and (d). A reasonable investor also would want to know about Fischer's mismanagement and misuse of funds, as reflected above in subs. (b) and (e). A reasonable investor additionally would want to know about Fischer's expenditures at closing, as reflected above in subs. (f) and (g). Both individually and collectively, a reasonable investor would want to know about these material facts because they impact Fischer's ability to and likelihood of making a timely and complete payment on the promissory notes.

25) S/I Jones and I spoke with the people who received the four promissory notes from Fischer. For purposes of this complaint, I identify these people through the financial institution each used to provide Fischer with the funds, as identified in para. (23). A summary of the statements include:

- a) Community First Credit Union: On October 23, 2012, I spoke with the married couple who invested \$100,000.00 toward Fischer's purchase of the campground by providing funds from a Community

First Credit Union account. The couple explained that they knew Fischer for approximately eight years prior to his purchase of the campground. They knew Fischer because both he and they had rented sites at the campground. The couple learned that Fischer attempted to purchase the campground after the previous owner defaulted on the loan. The couple said that Fischer contacted several people about investing in the campground by providing Fischer with the earnest money he needed for the purchase. When S/I Jones and I spoke with the couple on March 27, 2013, they said that Fischer never disclosed the information contained with the confession judgment. Fischer did not tell them about his debt obligation in excess of one million dollars. The couple stated that they did not know about Fischer's use of Valley Title trust account funds toward the campground purchase. They also did not know that upcoming campground renewals had been used toward the purchase, though this specific revelation did not surprise them. The couple generally understood about Fischer purchasing the campground on a land contract from Johnson, but they were unaware of the straw buyer fee. They explained that it was their understanding that Fischer needed money from the investors because Dupaco had allegedly demanded additional money than what Dupaco had originally requested. When I spoke with the couple on October 23, 2012, they said that Fischer only made two payments of \$2,500.00, totaling \$5,000.00, toward the promissory note. Both the husband and wife were over 65 years old in January 2011. The couple said that they may not have invested the money with Fischer had he disclosed the omitted facts surrounding the campground purchase.

- b) JPMorgan Chase: On October 23, 2012, I spoke with the married couple who invested \$50,000.00 toward Fischer's purchase of the campground by providing funds from a JPMorgan Chase account. The couple said that they had been seasonal campers at the campground for approximately nine years. They said that, in March 2010, they learned that Fischer was attempting to purchase the campground, which later led to the \$50,000.00 investment in January 2011. The couple stated that Fischer explained he could pay back the loan in such a short time because he would have annual site renewals available for repayment. On April 15, 2013, I spoke again with the married couple who confirmed that Fischer

never disclosed the confession judgment and his prior bankruptcy. The married couple said Fischer led them to believe that he purchased the campground directly and they only learned – after the investment – about the straw buyer and fee. The couple said that Fischer did not make repayment by April 15, 2011; instead, Fischer provided them with a \$35,000.00 and a \$15,000.00 check in May 2011. The \$35,000.00 check returned due to insufficient funds in Fischer's account. About one week later, Fischer gave the couple a \$20,000.00 and a \$15,000.00 check. The \$15,000.00 check returned due to insufficient funds. The couple said that they expressed their concerns to Fischer about the late repayment and Fischer paid back the principal by July 2011. By July 2012, the couple stopped going to the campground. The couple said that they may not have invested the money with Fischer had he disclosed the omitted facts surrounding the campground purchase.

- c) Citizens Bank: On November 2, 2012, I spoke with the person who invested \$50,000.00 toward Fischer's purchase of the campground by providing funds from a Citizens Bank account. The person was an adult male who was under 65 years old in January 2011. The man explained that he had been a seasonal camper at the campground for about seven to eight years before Fischer purchased it. The man said that he did not know Fischer until around the time that Fischer started the process of purchasing the campground. The man said that he knew one of the other investors and everyone at the campground functioned like an extended family so he agreed to provide money. The man said that he intended to write the check payable to Crazy J's Campground, but Fischer told him to make the check payable directly to Fischer. On April 15, 2013, I spoke again this man, who explained that Fischer never disclosed information contained within the confession judgment and did not alert the investors to his prior bankruptcy. He said Fischer left the impression that Fischer purchased the campground directly from the bank by not disclosing the existence of a straw buyer and fee. The man said that Fischer failed to make the repayment on April 15, 2011. The man stated that he repeatedly had to contact Fischer about paying on the promissory note. Fischer ultimately made payment on the principal from approximately July to September 2011. The man said that he would not have loaned

Fischer the money had Fischer disclosed the omitted facts surrounding the campground purchase.

- d) Pioneer Credit Union: On March 27, 2013, I spoke with the wife of the couple who invested \$50,000.00 toward Fischer's purchase of the campground by providing funds from a Pioneer Credit Union account. The wife said that her husband passed away in November 2012. The wife explained that the couple actually invested \$100,000.00 toward the campground because they provided Fischer with an additional \$50,000.00 in April 2012. In describing the initial investment of \$50,000.00 in January 2011, the wife stated that her husband and she learned that Fischer was attempting to purchase the campground when they were campers at the establishment. She recalled attending a meeting with the other investors where Fischer said he needed money toward the campground purchase. She said that Johnson's name was mentioned, but Fischer never disclosed that he was purchasing the campground on a land contract with Johnson as the straw buyer. The wife stated that they were unaware of the straw buyer fee. She also said that Fischer never told her husband and her about his admission of guilt and debt obligation memorialized in the confession judgment. Fischer also never told her husband and her about using money from the Valley Title trust account. The wife stated that she assumed Fischer purchased and owned the campground after the closing in January 2011. The wife said that initially her husband and she were not concerned about Fischer's failure to make the repayment as promised. Before her husband's death, however, her husband and she were concerned by Fischer's lack of payment. Shortly after her husband's death, in November 2012, Fischer told her that he would pay what he owed, which now totaled \$110,000.00, based upon the second \$50,000.00 investment with an additional \$5,000 in interest. Fischer had not contacted her, as of March 27, 2013. She said that Fischer still owed \$110,000.00. Both the wife and her husband were over 65 years old in January 2011. The wife said that her husband and she would not have invested the money with Fischer had he disclosed the omitted facts surrounding the campground purchase.

During my interviews, the people with the promissory notes used different terminology by sometimes referring to the money as a "loan"

and at other times referring to it as an “investment.” Based upon my investigation, none of the investors appeared to be regularly in the business of making loans. Regardless of the term used, they all had knowledge that the money was provided toward a specific enterprise with interest memorialized in the promissory notes. The statutory definition of a security is provided in para. (1), sub. (j), of this complaint. See Wis. Stat. § 551.102(28). The four promissory notes each are a security. See *State v. McGuire*, 2007 WI App 139, ¶ 1, ¶ 24, 302 Wis. 2d 688, 735 N.W.2d 555.

- 26) Fischer committed securities fraud by issuing four promissory notes for a combined \$250,000.00 with interest of \$25,000.00 for a total obligation of \$275,000.00. He offered or sold the securities by making an untrue statement or omitting to state a material fact. Fischer’s omitted material facts were necessary to make the statements he made not misleading. Fischer stated in the promissory notes that he would make payment of the principal and interest by April 15, 2011. Fischer failed to disclose several material facts that impacted the likelihood and his ability to make a timely and complete payment on the notes. He had personal knowledge of the material facts identified in para. (24) so his deception by commission and omission of these facts demonstrate that he acted in a willful manner. Several of the investors were over 65 years old when Fischer committed securities fraud.

Bail Jumping

- 27) Based upon my investigation, I have probable cause to believe that Fischer committed bail jumping in Waupaca County, Wisconsin. Fischer had been arrested for or charged with a felony in Marathon County Case Numbers 10-CF-0622 and 12-CF-0467. Fischer had been released from custody on bond in each case; that is to say, he was released on bond under conditions established by a judge or court commissioner after having been arrested or charged. Fischer would have been instructed on the terms of each bond. Based upon information and belief, the Marathon County circuit court used a standardized Bail/Bond form similar if not identical to a state form with an identifier CR-203. Such a form contained a condition stating that the “[d]efendant shall not commit any crime.” Fischer intentionally failed to comply with the terms of these bonds by engaging in criminal conduct. Fischer engaging in

conduct prohibited by a condition of his bond after having been informed of the terms, which demonstrates his intent and knowledge. The following paragraphs within this section provide additional information regarding the charges of bail jumping.


- 28) On or about September 9, 2010, the State of Wisconsin charged Fischer in a case recorded under Marathon County Case Number 10-CF-0622. The complaint alleged that Fischer committed two felonies for fraud against a financial institution and fraudulent writings, contrary to Wis. Stat. §§ 943.82(1) and 943.39(2). On or about October 21, 2010, Fischer signed a \$10,000.00 signature bond. This bail bond remained in full force and effect in January 2011, as well as prior to January 2011, beginning in September 2010. This bail bond also remained in full force and effect on or about August 9, 2012. Based upon information an belief, Fischer's felony bail bond contained a condition stating that he "shall not commit any crime." Fischer failed to comply with the bail bond by committing securities fraud in or prior to January 2011 and perjury on or about August 9, 2012.
- 29) On or about July 9, 2012, the State of Wisconsin charged Fischer in a case recorded under Marathon County Case Number 12-CF-0467. The complaint alleged that Fischer committed one felony of racketeering, ten felonies of embezzlement, ten felonies of fraudulent writings, and four misdemeanors for tax crimes, contrary to Wis. Stat. §§ 946.83(3), 943.20(1)(b), 943.39(2), and 71.83. On or about July 11, 2012, Fischer signed a \$1,000,000.00 signature bond. This bail bond also remained in full force and effect on or about August 9, 2012. Based upon information an belief, Fischer's felony bail bond contained a condition stating that he "shall not commit any crime." Fischer failed to comply with the bail bond by committing perjury on or about August 9, 2012.
- 30) The State of Wisconsin may charge Fischer with bail jumping in Marathon County or Waupaca County. The bail bonds originated from cases in Marathon County, whereas the crimes that form the basis for the charge occurred in Waupaca County. In such a circumstance, it is my understanding that a defendant may be charged in either county.

Conclusion

31) The above-identified statements from the witnesses and contained within the documents demonstrate that Fischer committed securities fraud and perjury when he had at least one felony bail bond in effect. The investigation revealed that Fischer committed at least one felony count of securities fraud, contrary to Wisconsin Statutes section 551.501(2), one felony count of perjury, contrary to section 946.31(1), and at least two felony counts of bail jumping, contrary to section 946.49(1)(b).

I, the complainant, believe that the information contained above is truthful and accurate. Insofar as there are any typographical or data entry errors within this complaint, it does not substantively impact the allegations contained within this complaint. I believe that there is probable cause to believe that Jay Fischer committed the criminal offenses identified in this complaint.

Dated this 2nd day of May 2013.



Special Agent Loreen Glaman
Division of Criminal Investigations
Wisconsin Department of Justice

Subscribed and sworn to before me and approved
for filing this 2nd day of May, 2013.



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