

CINCINNATI.COM ENQUIRER REDS BENGALS JOBS CARS HOMES WEATHER TRAFFIC TALK SUBSCRIBE

Cincinnati.Com
THE CINCINNATI ENQUIRER
 ONLINE EDITION OF THE REGION'S #1 NEWSPAPER

 You can trust Cincinnati.Com advertisers. Click here!

May. 9, 2001

ENQUIRER HOME LOCAL SPORTS BUSINESS TEMPO ENTERTAINMENT CLASSIFIED ARCH

TODAY'S ENQUIRER

Front Page
 Local News
 Sports
 ▶ Business
 Tempo
 Travel
 Health
 Technology
 Weather
 Back Issues
 Search
 Subscribe

SPORTS
 Bearcats
 Bengals
 Reds
 Xavier

PERSPECTIVE
 Jim Borgman
 Columnists
 Photographers

ENTERTAINMENT
 Movies
 Dining
 Horoscopes
 Lottery Results
 Local Events
 Video Games

CINCINNATI.COM
 Giveaways
 Maps/Directions
 Send an E-Postcard
 Coupons
 Visitor's Guide
 Web Directory

CLASSIFIEDS
 Jobs
 Cars
 Homes
 General
 Place an ad

HELP
 Feedback
 Subscribe
 Search
 Survey

Monday, October 16, 2000

2 in Tristate tied to fraud probe

By Christopher Carey
 The Indianapolis Star

LAWRENCEBURG, Ind. — Tristate investors who sent millions in savings and retirement money to an obscure Caribbean bank started by two Cincinnati-area men are starting to worry that it might never come back.

Wellington Bank and Trust Ltd., established in 1998 on the island of Grenada by John E. Brinker Jr. of Withamsville and Gary J. Bentz of Loveland, is being investigated by the FBI and agencies in Indiana and Ohio, according to government and private sources.

Wellington, which bears the same name as the street on which Mr. Brinker lives, has ties to a bigger Grenadian bank — known as First Bank — that is suspected of operating a vast fraudulent scheme.

The Indiana Securities Division filed an administrative complaint and cease and desist order against Wellington on Friday, seeking the return of the money collected from customers.

Investment advisers and others who have been watching Wellington say it has collected at least \$10 million in eastern Indiana, western Ohio and Northern Kentucky.

Some early investors in both First Bank and Wellington were promised returns of more than 100 percent a year.

The Indianapolis Star has been investigating Wellington's activities independently of the Securities Division.

The newspaper's investigation is based on hundreds of pages of court filings and other documents, plus interviews with more than 20 people. Dearborn County Sheriff J. David Wismann put \$5,000 into the preferred stock program about 18 months ago.

"I was given the opinion that it was more of a club," he

Advertise



Invest Smart!
 Expertise that is
 in experience.

Retire Right!
 Widen your pos
 with tailored sol

Local Service
 Invesmart is jus
 the corner.

Latest

Updated E

BUSINESS NEWS

- [Northrop Grumman M Bid](#)
- [GOP Pushes Budget](#)
- [Northwest Mechanics](#)
- [Cisco Posts First-Eve](#)
- [Stocks Slip on Profit](#)
- [Lufthansa Pilots to St](#)

TECHNOLOGY NEWS

- [FBI Uses Bogus Com Hackers](#)
- [Cisco Posts First-Eve](#)
- [Windows XP Launch](#)
- [Impact of Web Porn o](#)

• Profits Rise 45 Pct. at

AP TOP HEADLINE NEV

- [Bush Meets With Yug President](#)
- [Fla. Teen Cross-Exam](#)
- [Panel to Examine FBI](#)
- [Russia Recalls WWII I](#)
- [British Election Camp](#)
- [Falun Gong Sect Criti](#)
- [Dow Falls 8, Nasdaq I](#)



said, noting that he participated as a private citizen.

Sheriff Wismann said he welcomed the Indiana Securities Division's investigation and hoped it would clear the air about Wellington.

Bradley Skolnik, Indiana's securities commissioner, said the high returns that Wellington was offering were an obvious red flag. "No legitimate investment opportunity is going to promise you annual rates of return of 40 percent to 50 percent," Mr. Skolnik said. "It just doesn't happen."

Wellington got its start as a client of First International Bank of Grenada, known colloquially as First Bank in the Caribbean.

Grenada, an island in the West Indies southwest of Barbados, is home to 100,000 residents and about 30 offshore banks, all chartered within the past four years. First Bank was one of the earliest products of that push.

First Bank was taken over by the Grenadian government two months ago, after failing to keep up with interest payments to investors. The parallels between Wellington and First Bank are uncanny.

Documents show that:

- Both used marketing materials that enticed early customers with interest rates exceeding 100 percent.
- Both offered only vague descriptions of investment strategies.
- Both guaranteed that deposits were fully insured by the "IDIC."
- Both had a founder who had previously declared bankruptcy.

The Grenadian government was forced to step in after First Bank depositors went months without receiving interest checks and were unable to withdraw their principal.

Garvey Louison, the government appointee who oversaw the bank until last week, said it appeared that certain officers and directors transferred millions to themselves and companies they controlled. That finding could have dire implications for Wellington customers.

Account information distributed to prospective customers in Dearborn County showed that deposits were to be routed through First Bank and a related entity, Fidelity Management & Trust Ltd. of St. Vincent.

Mr. Brinker said in a letter to the *Star* that his bank is

- [Former Boxing Cham](#)

NATIONAL NEWS

- [House Approves Bud](#)
- [Bush Making 1st Judi](#)
- [Cincinnati Officer Ple](#)
- [Fla. Teen Cross-Exam](#)
- [Prosecutors Cite Des](#)

WORLD NEWS

- [Israeli Teens Stoned I](#)
- [Congo Villagers Tell c](#)
- [British Election Camp](#)
- [Japan May Allow Emj](#)
- [Castro Calls U.S. 'Imp](#)

operating lawfully and that investors' money is safe. Neither man returned telephone calls from the *Enquirer* requesting further comment.

When asked whether Wellington had enough liquid assets to meet its promises, Mr. Brinker responded in a letter forwarded by his Grenadian attorney: "Wellington Bank and Trust has never failed to meet an obligation in its history."

Mr. Brinker would not say whether any of Wellington's money was on deposit at First Bank, nor would he identify any other banks or investment firms where it had accounts.

In the same letter, Mr. Brinker confirms that Wellington supports Steadfast Ministries, based at 4355 Ferguson Drive, near East gate Mall, and that he has "in the past been founder, principal and teacher of various Christian Schools."

Jay Adkisson, a California lawyer who helps rich clients find legitimate offshore opportunities, said, "There's really kind of a James Bond aura to going offshore. You think you've joined the ranks of the superwealthy and the ultrasophisticated."

Wellington's invitation-only approach to investors helped perpetuate an air of intrigue.

According to the Indiana Securities Division's complaint, Mr. Brinker or Mr. Bentz would make a presentation about offshore investing and Grenada's bank secrecy laws.

In addition to offering savings accounts and certificates of deposit, Wellington sold "preferred stock" in an entity called Wellington International Business Corporation.

Although the minimum investment for preferred stock was \$5,000, Wellington offered options for every budget, including savings accounts that could be opened with as little as \$100.

Banking novices

Neither Mr. Brinker, 54, nor Mr. Bentz had banking experience before they started Wellington. Mr. Brinker and his wife, Carol, filed for bankruptcy in June 1993, listing debts of \$463,316 and assets of \$97,445.

At the time, Mr. Brinker ran businesses — Multi-Media Marketing; Media-Maps; J.C. and Associates — that sold advertising for telephone books and tourist maps from a Batavia address.

Mr. Brinker's main asset was a house in Batavia valued at \$88,500.

Mr. Bentz had spent nearly two decades working for a

uniform company before leaving in 1994 to try his hand at the securities business.

He sold securities in the Cincinnati office of World Marketing Alliance until February 1999.

Intertwined fates

Wellington's story is, in many ways, First Bank's story. Wellington is one of more than a dozen "client" banks, or sub-banks, that were formed with the help of First Bank, which was being battered by negative publicity.

"The whole idea was to get the sub-banks bringing in most of the customers and most of the money," said Philippe Carrier, who worked within First Bank's network in Grenada and helped with the paperwork that set up the operations.

The client banks were designed to be turnkey operations, almost like fast-food franchises, said Mr. Carrier, who now lives in Canada..

The FBI has been investigating First Bank founder Van A. Brink's activities in Grenada for more than two years.

On Tuesday, Grenadian Prime Minister Keith Mitchell put former Attorney General Errol Thomas in charge of resuscitating the bank.

An adviser's warning

Jay Adkisson, the California lawyer and investment adviser, is one of a handful of self-appointed fraud police who use the Internet to spread information on suspected frauds.

As a general proposition, Mr. Adkisson says, investors should shun certificates of deposit or promissory notes that offer returns of more than 10 percent a year.

Likewise, they should avoid other so-called "programs" that offer returns of more than 50 percent a year.

A lack of specifics should be another red flag.

"Real investments are completely transparent, meaning that you can clearly see and understand each and every step of where your dollars are going and how they grow," Mr. Adkisson writes.

One of the biggest selling points in the marketing materials was the banks' assurance that accounts were fully insured through the International Deposit Indemnity Corp., also based in Grenada.

IDIC's initials evoke an offshore version of the Federal Deposit Insurance Corp., or FDIC, which guarantees deposits in the United States for up to \$100,000 per account.

Mr. Brink, First Bank's founder, acknowledges that he dreamed up IDIC. But he says others actually established the business. Although First Bank has been taken over by the government and investors are demanding their money, IDIC says it is not prepared to pay their claims.

Whereabouts of funds

Mr. Brinker would not identify the banks or investment houses that are holding Wellington's money.

In response to a written question from the *Star*, he said: "Suffice to say that even relatively amateur money managers know better than to have all of their money in any one place."

Nor would Mr. Brinker provide any specifics on how Wellington generates its profits.

"Some of our investments are in the stock markets and trading centers of the world (both stocks and bonds), and we do own interest in mining and production facilities in the precious metal field," he wrote.

Murky marketing

When Mr. Brinker, Wellington's founder, was asked by the *Star* about First Bank, he first denied a link.

When told that documents showed a connection, Mr. Brinker said Wellington distanced itself from First Bank more than a year ago.

Still, Wellington's promoters in Dearborn County have been using marketing material that contains language almost identical to the pitch on First Bank's Web site.

"I'll admit I stole their marketing materials," Mr. Brinker said. "But we had permission to. Why reinvent the wheel?"

[Background on Wellington](#)
[Sheriff says he invested in 'couple of guys'](#)

▶ [2 in Tristate tied to fraud probe](#)
[Divorce can split family business](#)
[ECKBERG: Wild Berry rides Cuervo name into Mexico](#)
[Promotions & new on the job](#)
[Job loyalty eroding across the globe](#)
[The Success Coach](#)

May. 9, 2001

ENQUIRER HOME LOCAL SPORTS BUSINESS TEMPO ENTERTAINMENT CLASSIFIED ARCH



You can trust Cincinnati.Com advertisers. Click here!

TALK TRAFFIC WEATHER HOMES CARS JOBS BENGALS REDS ENQUIRER C

[Search](#) | [Questions/help](#) | [News tips](#) | [Letters to the editors](#)
[Web advertising](#) | [Place a classified](#) | [Subscribe](#) | [Circulation](#)

Copyright 1995-2000. The Cincinnati Enquirer, a Gannett Co. Inc. newspaper.
Use of this site signifies agreement to [terms of service](#) updated 4/5/2000.