



New York State Department of Labor
Liability and Determination, Fraud Unit
State Office Campus, Building 12, Room 356
Albany, New York 12240-0001

**Joint Enforcement Task Force on
Employee Misclassification, Reporting Fraud and Other Violations**

If you think an employer is committing fraud by misclassifying its workers or is committing violations of New York State laws related to the employment of its workers, it is important that you let us know. All allegations of fraud and violations are taken seriously. Please include as much information as possible.

This information will remain confidential to the extent allowed by law. New York State Labor Law imposes significant penalties on employers for discharging, penalizing or in any other manner discriminating against any employee for providing information to the Department of Labor.

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| Company and Owner Name: | CMZ VENTURES, LLC , Delaware Incorporation Date: 06/09/2008 File #: 4558558 comprised of entities controlled by: ARTHUR G. & KAREN B. COHEN, PAUL J. MANAFORT, JR., and BRAD S. ZACKSON. | | |
| Also known as (doing business as): | KALLISTA INVESTMENTS, LLC Delaware Incorporation Date: 11/12/2008 File #:4622044; DYNAMIC WORLDWIDE PROPERTIES, LLC , a New York corporation and real estate broker NYS License#:49ZA1005448 / Office License #: 109923984; VULCAN PROPERTIES, INC. , Delaware Incorporation Date: 05/22/1991 File #: 2263817; THE DYNAMIC GROUP; DYNAMIC WORLDWIDE DEVELOPMENT LLC; DYNAMIC CAPITAL INC.; DYNAMIC CAPITAL CORPORATION; DYNAMIC REAL ESTATE FUND I, LP , a Delaware limited liability partnership; BARBARA ANN HOLDINGS, LLC; BALCOTT & MORGAN MANAGEMENT, LLC; ZMC VENTURES, LLC; ZMC PARTNERS, L.P. , a Cayman Islands exempted limited partnership; BROOKMAR CORP. , a New York corporation, and BROOKLYN MARINA CORP. , a Delaware corporation; DVN ELEUTHERA DEVELOPMENT INC. a Panama corporation; DYNAMIC VULCAN ELEUTHERA INC. a Panama corporation; JAB HOLDINGS, LLC , a Nevada limited liability company; GRANDROCK INTERNATIONAL, LLC; AMERICAN LAND DIVERSIFIED FUND I, LP; AMERICAN LAND CAPITAL ADVISORS, LLC; ARTHUR G COHEN & PARTNERS; ZMC KALLISTA LLC; and DYNAMIC REAL ESTATE SOLUTIONS, LTD. a New York corporation; | | |
| Type of business: | Real Estate Development, Fund Mgmt, RE Brokerage; Local & Intl. Business | | |
| Business began operating: | 06/09/2008 - CMZ VENTURES, LLC | | |
| Supervisor Name: | Brad Zackson, C.E.O. | | |
| Cell phone number: | <div style="background-color: black; width: 100px; height: 1.2em;"></div> | | |
| EIN: Unknown | Social Security Number: Unknown | | |
| Business Address: | 1501 Broadway, 25th Floor, The Paramount Building, NY, NY 10036 | | |
| Known workers at this site? | 6 | Business Telephone: | (212) 248- 5230 Main |
| Describe the employer's alleged fraudulent activity. Check all that apply. Please provide as much detail as possible. Include names, dates, documents and witnesses; attach additional information if necessary. See Attached. | | | |
| <input checked="" type="checkbox"/> | Off the books wages (if any) | | |
| <input checked="" type="checkbox"/> | No workers' compensation coverage | | |
| <input checked="" type="checkbox"/> | Not paying appropriate rate for overtime work(work in excess of 40 hrs/week) | | |

| | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------|
| <input checked="" type="checkbox"/> | Not paying employees for all hours worked | | |
| N/A | Not paying minimum wage | | |
| <input checked="" type="checkbox"/> | Not withholding taxes | | |
| <input checked="" type="checkbox"/> | Not keeping proper time records or records of wages/hours worked | | |
| <input checked="" type="checkbox"/> | Employer is under reporting/concealing payroll or misclassifying worker(s) as independent contractors. If so, please provide: | | |
| | <ul style="list-style-type: none"> o Occupation(s) involved: CFO/Manager/Research/Marketing/Receptionist/IT o Workers: 5 current-Steve Zackson, Chris Makos, Scott Snizek, Sam Lee, Garth Symonds, & 1 former (Christy Gregory) o How payroll is being concealed: No filing of employee payroll or IRS documentation i.e. W-2's or 1099's; No written employee contracts; Selective Health Insurance; CMZ Ventures checks for payroll written as expenses (i.e. travel expense) and other. o Explain / Other: Check written for CMZ Ventures payroll from company: BALCOTT & MORGAN MANAGEMENT, LLC; misclassifying worker(s) as independent contractors; promise of higher salary and reimbursement after ZMC PARTNERS, L.P.'s Fund capitalized; frequent creation of new Limited Liability Companies which serve as shell companies. | | |
| If you are an employee of the business you suspect of fraud, please indicate: | | | Yes |
| Date you started working there: | | 01/09/2008 PT and then FT since 04/2008 | How many hours you work per week: 40+ |
| Your occupation with the business: | | Research, Marketing, Office, Capital Markets, Acquisitions, Originations, IT | |
| Date the fraudulent activity began: | | 09/23/2007 | |
| Additional Comments: See Attached | | | |
| Submitter information | | | |
| Name: | Scott Snizek | | |
| Address: | [REDACTED] | | |
| City: | West Hempstead | State: NY | Zip: 11552 |
| Telephone: | [REDACTED] | Cell Phone: [REDACTED] | Preferred |
| E-mail: | [REDACTED] | | |
| <p>This form may be faxed to (518) 485-6172 or mailed to:</p> <p>New York State Department of Labor Liability and Determination, Fraud Unit State Office Campus, Building 12, Room 356 Albany, New York 12240-0001</p> | | | |

**NEW YORK STATE DEPARTMENT OF LABOR
ADDITIONAL COMMENTS**

ARTHUR G. COHEN, PAUL J. MANAFORT, JR., and BRAD S. ZACKSON collectively, in part, and/or individually, do business together as the following:

- DYNAMIC WORLDWIDE PROPERTIES, LLC, a New York real estate broker Office License #: 109923984;
- DYNAMIC WORLDWIDE DEVELOPMENT LLC, a New York corporation;
- DYNAMIC CAPITAL INC;
- DYNAMIC REAL ESTATE SOLUTIONS LTD. a New York corporation;
- DYNAMIC REAL ESTATE FUND I, LP, a Delaware limited liability partnership;
- DYNAMIC FUND MANAGEMENT, LLC, a Delaware limited liability company;
- DYNAMIC FUND ADVISORS, LLC, a Delaware limited liability company;
- DYNAMIC CAPITAL CORPORATION;
- THE DYNAMIC GROUP;
- DVN ELEUTHERA DEVELOPMENT INC a Panama corporation;
- DYNAMIC NEVADA ELEUTHERA, LLC;
- DYNAMIC VULCAN ELEUTHERA INC, a Panama corporation;
- CMZ VENTURES REAL ESTATE FUND I, LP, Delaware limited partnership;
- CMZ VENTURES REAL ESTATE FUND II, LP, Delaware limited partnership;
- CMZ VENTURES FUND ADVISORS, LLC, a Delaware limited liability partnership
- VULCAN PROPERTIES, INC, a Delaware corporation;
- ARTHUR G COHEN & PARTNERS; (and/or KAREN B. COHEN)
- BARBARA ANN HOLDINGS, LLC; a Delaware corporation;
- BALCOTT & MORGAN MANAGEMENT, LLC; a New York corporation;
- BROOKMAR CORP., a New York corporation;
- BROOKLYN MARINA CORP., a Delaware corporation;
- JAB HOLDINGS, LLC, a Nevada limited liability company;
- GRANDROCK INTERNATIONAL, LLC;
- AMERICAN LAND DIVERSIFIED FUND I, LP;
- AMERICAN LAND CAPITAL ADVISORS, LLC;
- KALLISTA INVESTMENTS, LLC a Delaware corporation;
- ZMC VENTURES, LLC;
- ZMC PARTNERS, L.P., a Cayman Islands exempted limited partnership;
- ZMC KALLISTA LLC.

EMPLOYEES:

STEVEN ZACKSON, CFO, Brother, **BRAD ZACKSON**

Home
Cell

CHRISTOS "Chris" MAKOS, CAPITAL MARKETS, RESEARCH, MARKETING, ACQUISITIONS

Cell

SCOTT SNIZEK, CAPITAL MARKETS, RESEARCH, MARKETING, ACQUISITIONS, IT

Cell

.com

SAMUEL LEE, DIRECTOR of ACQUISITIONS & FINANCE

Cell

sl@dynamicworldwide.com

GEOFFREY "GARTH" J. SYMONDS, DIRECTOR OF DEVELOPMENT

Home

Cell

NEW YORK STATE DEPARTMENT OF LABOR
ADDITIONAL COMMENTS

FORMER EMPLOYEES:

CHRISTY GREGORY, ASSISTANT TO BRAD ZACKSON

Cell [REDACTED]

RICHARD PRZONEK

Cell [REDACTED]

PRINCIPALS AND RELATED PERSONS OF THE FRAUDULENT CORPORATIONS:

ARTHUR G. COHEN is a representative of his wife, **KAREN B. COHEN**, and **Vulcan Properties, Inc.**

Office: 1270 Avenue of the Americas, Suite 2310, NY, NY 10020

Office Phone: 212-632-4805

Home Phone: [REDACTED] or [REDACTED]

Home: [REDACTED] Great Neck, NY 11024-1017

Mobile: [REDACTED]

Fax: [REDACTED]

Email: acohen@nyagc.com

STEPHEN B. DELMAN is the Cohen's in house attorney.

Office: 515 Madison Avenue, 29th Floor, NY, NY 10022

Office Phone: 212-279-9500 or 212-632-4817

Office Fax: 212-279-9595 (Direct)

Home Phone: [REDACTED]

Home Fax: [REDACTED]

Mobile: [REDACTED]

E-Mail: [REDACTED]

PAUL J. MANAFORT, JR. is also a partner of the Washington, DC lobbying firm, Davis Manafort.

Office: 211 North Union Street, Suite 250, Alexandria, VA 22314

Home 2: 174 Jobs Lane, Bridgehampton, NY 11932

Office Phone: [REDACTED]

Home: [REDACTED]

Mobile: [REDACTED]

Fax: [REDACTED]

Email: pmanafort@davismanafort.com

Assistant: Amanda Van Sickle avansickle@davismanafort.com Cell: [REDACTED]

RICK W. GATES is Paul Manafort's representative and Investment Manager at Pericles, LP

Office: [REDACTED] Midlothian, VA

Office Phone: [REDACTED]

Mobile: [REDACTED]

Email: rgates@davismanafort.com

Email: rgates@pericleslp.com

Email: [REDACTED]

BRAD S. ZACKSON, C.E.O.

Office: 1501 Broadway, 25th Floor, NY, NY 10036

Office Phone: 212-248-5230

Fax: 212-248-5236

Home: [REDACTED] NY, NY 10023

Mobile: [REDACTED]

Email: bz@dynamicworldwide.com

Email: [REDACTED]

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LETTER IN REGARD TO REQUEST FOR INVESTIGATION BY THE PRESIDENT'S CORPORATE FRAUD TASK FORCE:

May 17, 2009

Senator Charles E. Schumer
Senator Kirsten Gillibrand
757 Third Avenue, Suite 17-02
New York, NY 10017
P: 212-486-4430
F: 212-688-7444

RE: Request for immediate assistance & investigation of white collar crime

We understand that Senate Rules prohibit you or your staff from giving legal advice or intervening in proceedings of any case that involves a lawsuit or litigation. Currently, our matter does not, but eventually will. As our federal representatives, we request that you help us interact with the agency of The President's Corporate Fraud Task Force and request that they look into a matter involving corporate fraud.

We are aware that prosecutors Mr. Robert Morgenthau and Mr. Andrew M. Cuomo have followed money trails overseas in pursuit of prosecuting rogue politicians and recidivist white-collar criminals, but some corporate wrongdoings are based in our own backyard and the players are well-known and falsely respected by the public.

Our request is for immediate assistance in seeking recourse to resolve blatant violations of employment law concerning an employer's intentional disregard for registration and compensation of employees while operating under a state licensed workplace of DYNAMIC WORLDWIDE PROPERTIES, LLC, a New York corporation and REAL ESTATE BROKER NYS LICENSE #: 49ZA1005448 / OFFICE LICENSE #: 109923984. It has recently become clear as to how the employer's partnership fraudulently operates within the offices located at 1501 BROADWAY, 25TH FLOOR, NY, NY 10036, and how we have been considerably harmed as employees from being denied our full salary.

Managing partners of the employer's partnership include: KAREN B. COHEN and her husband ARTHUR G. COHEN, a prolific billionaire developer who is a tax expert with a documented history of litigations and investigations of banking fraud; PAUL J. MANAFORT, JR., a high ranking Republican political lobbyist partner of the firm Davis Manafort, who has been an advisor to local and international presidential campaigns and who currently has close ties to the businesses of Ukrainian billionaire, Dmitry Firtash; and lastly, a local New York developer, BRAD S. ZACKSON, C.E.O. of The Dynamic Group, who has been seemingly exploited in the partnership for his real estate knowledge, his relationships, and the services of his staff.

First and foremost, there is no reason the partnership can give for not filing employee and tax documents or paying employees. It is unfathomable, that a partnership made up of attorneys and a state licensed individual under New York State Law, would be so negligent, especially since they are surrounded by industry leaders and lawmakers who know the seriousness of this kind of crime. The arrogance displayed by the members when employees attempted to apprise them of their salary inconsistencies is ethically disgusting. Arthur Cohen stated that the employees were only consultants and they should go ahead and sue him because they have no case!

Any monies paid to workers as full time employees have ceased by the employer in March of 2009. When partners Arthur G. Cohen and Paul Manafort did contribute to cover the payroll and operating expenses, monies were inconsistent at best, and never meet the full amount due. Checks issued to employees were issued with incorrect accounts, and were often carelessly incomplete as to correct spelling of an employee's name, or incorrect in the memo/note as to what they were for. Executed checks never resembled a normal paycheck where specific items such as Federal Income, Medicare, Social Security, Insurance, 401k, IRA, Retirement, State Income Tax, etc. would be indicated. Instead, they were regular business checks from CMZ Ventures, LLC or Dynamic Worldwide Properties. Employer Identification Numbers were requested, but none were received. No tax documents were ever filed in regard to employees.

Employees were consistently misled to believe that they were to be compensated salaries owed out of sale commissions from acquisitions and the 1.5-2.0% fees that would occur from managing the business deals of the partnership and the INTERNATIONAL REAL ESTATE FUND being set up by ZMC PARTNERS, LP, through Partner, Paul J. Manafort, authorized signatory on behalf of General Partner, ZMC INVESTORS, L.P., and David Brown, authorized signatory on behalf of Limited Partner, Group DF Real Estate for a real estate fund and its Alternative Investment Vehicles & Parallel Investment Entities. As per the agreement, "The initial minimum capital commitment from the Limited Partners

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shall be two hundred million dollars (US \$200,000,000.00). It is expected that the Fund will be composed of a combination of capital and real assets owned by the Limited Partner and to be developed by the Fund. The total value of the Fund shall approximate one billion dollars (US \$1 billion) with the cash contribution being the difference between the ceiling of the Fund minus the cost value of the real property contributed to the Fund. The initial capital commitment closing shall occur on or about April 2009. The contribution of selected Ukrainian properties owned by investor shall occur as agreed by the parties. Additional capital to be invested subsequent to initial minimum capital shall be contributed as agreed by the parties."

When extreme financial hardship was expressed by employees, Chris Makos and Scott Snizek, they were given miniscule amounts for travel pay to cover the cost of coming into NYC from Long Island. Employees desperately tried to endure this treatment primarily through the financial support of their families in order to recoup what they were owed. This resulted in employees and their families altering their lifestyles to survive until the partnership got their funding. It is gross negligence on behalf of the employer to knowingly and willfully subject their loyal employees to this abuse and extend that abuse to their families by using their support to keep the partnership in operation. The considerable distress caused to family members has been unnecessarily caused. Subsequent damage to credit scores due to lack of funds available for utilities, leases, mortgage loans, home equity loans, insurance, etc., are all directly related. Resentment ensued toward the partnership after learning that employees and their families were unwillingly contributing to their employer's well being while their employees and their families suffered financial hardships caused by the negligence of the partnership. Rather than cutting losses and walking away, employees built a case in support of their knowledge of the corrupt ways of the members.

Employees of the developer's firm, Dynamic Worldwide Properties, LLC, have inadvertently and unfairly become involved in the scheme of CMZ VENTURES, LLC and the other companies created and/or using the 25th Floor of 1501 Broadway as a primary office. With no defining reference points to distinguish new corporations, it appears that the corporations were formed by the members, for the sole purpose of serving as pass thru conduit or as shell corporations to avoid responsibilities encountered through conducting business. Adding to the charade is that 1501 Broadway was represented and understood to be owned by Arthur G. Cohen. In short, it is an elaborate smoke-and-mirrors act played by well-known individuals, who used their experience, high level relationships and influence to avoid suspicion as to their pattern of behavior while they go after the biggest deals in real estate without remorse for the damage they cause to those who they get involved.

CMZ VENTURES, LLC was formed in Delaware by Steven Delman, the Cohen's attorney, on 06/09/2008. It is composed of **ARTHUR G. & KAREN B. COHEN**, **PAUL J. MANAFORT, JR.**, and **BRAD S. ZACKSON**. The first letters of their last names create the initials to name the ventures of the partners. The entities use the offices and employees of **DYNAMIC WORLDWIDE PROPERTIES, LLC**, a New York real estate broker (Office License #:109923984) located on the 25th floor of 1501 Broadway, New York, NY 10036. The partnership often switches the order (i.e. CMZ-ZMC) to create associated entities or ties an association to Dynamic.

Arthur G. Cohen, Paul J. Manafort, Jr., and Brad S. Zackson individually, and/or collectively, also do business as the following entities:

- DYNAMIC WORLDWIDE PROPERTIES, LLC, a New York real estate broker Office License #: 109923984;
- DYNAMIC WORLDWIDE DEVELOPMENT LLC; a New York corporation;
- DYNAMIC CAPITAL INC;
- DYNAMIC REAL ESTATE SOLUTIONS LTD. a New York corporation;
- DYNAMIC REAL ESTATE FUND I, LP, a Delaware limited liability partnership;
- DYNAMIC FUND MANAGEMENT, LLC, a Delaware limited liability company;
- DYNAMIC FUND ADVISORS, LLC, a Delaware limited liability company;
- DYNAMIC CAPITAL CORPORATION;
- THE DYNAMIC GROUP;
- DVN ELEUTHERA DEVELOPMENT INC a Panama corporation;
- DYNAMIC NEVADA ELEUTHERA, LLC;
- DYNAMIC VULCAN ELEUTHERA INC, a Panama corporation;
- CMZ VENTURES REAL ESTATE FUND I, LP, Delaware limited partnership;
- CMZ VENTURES REAL ESTATE FUND II, LP, Delaware limited partnership;
- CMZ VENTURES FUND ADVISORS, LLC, a Delaware limited liability partnership;
- VULCAN PROPERTIES, INC, a Delaware corporation;
- ARTHUR G COHEN & PARTNERS;

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| NEW YORK STATE DEPARTMENT OF LABOR ADDITIONAL COMMENTS |
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- BARBARA ANN HOLDINGS, LLC; a Delaware corporation;
- BALCOTT & MORGAN MANAGEMENT, LLC; a New York corporation;
- BROOKMAR CORP., a New York corporation;
- BROOKLYN MARINA CORP., a Delaware corporation;
- JAB HOLDINGS, LLC, a Nevada limited liability company;
- GRANDROCK INTERNATIONAL, LLC;
- AMERICAN LAND DIVERSIFIED FUND I, LP;
- AMERICAN LAND CAPITAL ADVISORS, LLC;
- KALLISTA INVESTMENTS, LLC a Delaware corporation;
- ZMC VENTURES, LLC;
- ZMC INVESTORS, L.P.;
- ZMC KALLISTA LLC;
- ZMC PARTNERS, L.P., a Cayman Islands exempted limited partnership; Partnership's registered agent is Walkers SPV Limited, Walker House, Mary Street, George Town, Grand Cayman, Cayman Islands KY1-9002.

Ventures of the partnership focus primarily on real estate development and financing, but also include local and international business investments. The following is a partial list of business ventures representing investments in the billions of dollars that Dynamic/CMZ employees was directly involved in creating works for, and providing services for:

ZMC PARTNERS, LP - INTERNATIONAL REAL ESTATE FUND (ZMC INVESTORS, L.P), a \$200M-\$1B distressed real estate fund led by investor DMITRY FIRTASH ("DF") of GROUP DF, a private international group of companies whose interests and assets range from energy and chemicals through to energy infrastructure and real estate in Ukraine and Hungary; (ZMC PARTNERS has maintained operations since January based on the previous agreement with DF. The principals have been funding the operations in the first quarter as an advance on the commitment by DF.) DF's investment allows for the Fund to be established and funded operationally.

BVLGARI TOWER - An \$850M purchase of the real property and \$225M mortgage note from iStar to develop a 70-story mixed-use development on the former Drake site located at 440 Park Avenue with investors from Kazakhstan called ALATAU HOSPITALITY LIMITED, a Cyprus registered company venture between the existing shareholders of the LANCASTER GROUP and MR. FRANK ORENSTEIN, AND INOVALIS S.A., a French Investment & Real Estate Services company (**currently in litigation with CMZ VENTURES, LLC**);

Bahamian land development and casino ventures for both an 80-acre island 30 minutes from Miami called **SOUTH CAT CAY** and a \$14M, 2000-acre Peninsula on the island of Eleuthera called **SOUND POINT**;

A Chinese sovereign wealth fund joint-venture with potential placement agent/partner **JOHN COPPOLINO of JAB HOLDINGS, LLC** and MS. ANGEL WANG, founder and chairman of GREATER CHINA SECURITIES, INC., and ETECH CAPITAL GROUP;

UNITED STUDIOS OF AMERICA, ON THE EAST COAST, a large film and TV studio facility, backed by Arthur G. Cohen and GC Corp. venture capitalists Adi Cohen and Joseph Grinkorn, plus Howard and Karen Baldwin of Baldwin Entertainment;

Purchase and Development of the **ST. JOHN's CENTER** located at 550 Washington Street, NY, NY.

Numerous distressed real estate deals in New York, Boston, Florida, and Texas.

A Canadian Pharmaceutical joint-venture with **CANUSA HEALTH INC.**, a Canadian corporation having its head office at 2444 Alexandra Avenue, Windsor, Ontario N9E 2J3 formed to establish a network of various companies, organizations and individuals (including patients, physicians, pharmacies, medical care companies, systems companies, third party administrators, call centers and others) for the supply, on a cost-effective basis, of certain "maintenance-type" prescription pharmaceutical products from Canadian Pharmacies and of prescription pharmaceutical products from U.S. Retail Pharmacies and/or U.S. Mail Order Pharmacies to residents of the United States of America.

A real estate facility assessment software joint-venture with **4TELLSOLUTIONS**.

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As employees, we have provided multiple contacts, numerous services, research, presentations, materials, and cash to our employer. Most of the above has been used and abused by the employer, especially, in conjunction with the partnership, to artificially boost the professional credential of the partnership to its potential investors. In addition, disregard of non-disclosure and confidentiality agreements by partners, have caused harm to the employee's professional reputations. It also has repeatedly allowed the partnership to translate employee's labors and information, both directly and indirectly, into lucrative investment opportunities for affiliated services involving numerous ventures of the partnership, both locally and internationally, in various forms of escrow monies and retainers. While those service companies were enriched by the retainers, and further lured by the grandeur of the sizable deals, they also have been harmed by the partnership when funding ceased after services were provided. The partnership never disclosed that they did not intend to fully pay for services that they were provided in connection to business conducted by the partnership. The bigger the deals became, the bigger the liabilities became and the longer the list of companies who are seeking payment for services rendered.

The incurred liabilities do not fairly reflect on all the members as they should. Most of the firms seeking payment for their services have singled out Mr. Zackson and not Mr. Manafort or Mr. Cohen. Further complicating the matter, is the fact that some of the companies that are now demanding payment for service are ones that Mr. Cohen steered the partnership to do business with. Where there were opportunities to involve businesses of the members, such as Boomerang Parking, an affiliated company of Arthur Cohen, said companies were immediately recommended. Affiliated service companies, such as those relating to legal (Akin, Gump, Hauer, Strauss & Feld, LLP; Goldberg, Weprin & Ustin LLP) and real estate services (Plaza Construction Corp.) as well as sheetrock subcontracting (Curtis Partitions), office cleaning, property management (Newmark, Knight, Frank), and financing (Howard Michaels) have been involved with Arthur Cohen in the past. Arthur Cohen has financed or has vested interests in some of the above firms who have gained from retainer monies, and/or partial payments from the partners. While referring business to those companies is ok, leaving behind unpaid employees and an outstanding onto a partner is not.

While Mr. Zackson has been financially compensated more than any other employee to date, he has also been caused financial harm by actions of Paul Manafort, and Arthur G. Cohen. Mr. Zackson has expressed financial hardship and has tried numerous times to collect monies owed to himself and his employees, but Mr. Manafort and Mr. Cohen both ceased funding although they were contractually obligated to continue to do so until April 1, 2009 as per the CMZ Ventures, LLC operating agreement. Further complicating matters are the forfeiture of rights to trial by jury in the promissory notes that Mr. Zackson has with both Mr. Manafort and Mr. Cohen for amounts of no less than \$100,000.00 each. Mr. Zackson as Payor waived his rights to trial by jury in any action or proceeding of any kind or nature in any court in which an action may be commenced arising out of the notes.

According to the Schedule A of the preliminary 2009 budget created for Dynamic/ZMC Kallista LLC by Rick Gates, Director of Asset Management, the company was to compensate:

- Brad Zackson, CEO \$62,500 per month*;
- Steve Zackson Accounting \$10,417 per month*;
- Chris Makos Acquisitions \$8,333 per month;
- Scott Snizek, Acquisitions \$8,333 per month;
- Christy Gregory, Acquisitions \$8,333 per month*;
- Garth Symonds, Director of Development \$12,500 per month;
- Sam Lee, Director of Acquisitions \$12,500 per month.

(*were compensated with a United Health Care/Oxford Health Care Coverage.)

Although Chris Makos, Scott Snizek and Sam Lee work over 40 hours per week, only Brad Zackson, Steve Zackson and Christy Gregory were provided with a United Health Care/Oxford Health Care Coverage through United Health Care/Oxford Health Care Plan Group Number: DW4910, Billing Group: BG01 DYNAMIC WORLDWIDE PROPERTIES, LLC.

Subscriber: 948404201 Christy Gregory
 Subscriber: 841496101 Brad Zackson Coverage Type CSP01 HealthCR Premium \$2192.50
 Subscriber: 841495901 Steve Zackson Coverage Type CSP01 HealthCR Premium \$1414.51

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DYNAMIC/ZMC KALLISTA LLC SCHEDULE A - SALARIES

| ZMC Kallista LLC Forecasted Budget 2009 | | | | | | | | | | | | | | |
|--------------------------------------------|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| Name | Position | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Total |
| Brad Jackson | CEO | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$62,500 | \$750,000 |
| Rick Singer | President | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$41,667 | \$500,000 |
| Sam Lee | Director of Acquisitions | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$150,000 |
| Garth Symonds | Director of Development | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$150,000 |
| Carolyn Schlam | Director of Marketing | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$150,000 |
| Rick Gates | Director Asset Mgt | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$150,000 |
| Sol Levitt | Director of Management | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$12,500 | \$150,000 |
| Chris Makos | Acquisitions | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$100,000 |
| Christy Gregory | Acquisitions | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$100,000 |
| Scott Snizek | Acquisitions | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$8,333 | \$100,000 |
| Steve Jackson | Accounting | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$125,000 |
| Steve Delman | Legal | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$10,417 | \$125,000 |
| TOTAL | | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$212,500 | \$2,550,000 |

Salaries listed above were made known to and expected by the employees who are highlighted (Some of the non-highlighted employees (excluding S.Delman, S.Lee & G.Symonds) never did work for the company). Furthermore, it was understood that any commissions earned through acquisitions would generate additional income which employees could potentially receive as bonus. Similar budgets were prepared for the other ventures of the partnership however, financially; none of them were realized by employees despite work being produced for them. After each budget was reviewed by Arthur G. Cohen, it was drastically reduced, and the new amount never discussed with, or agreed to, by the employees. Employees only found out what the amount they actually received when they received their check.

For example, the salary for Scott Snizek at \$8,333/month was reduced by Arthur Cohen to \$4,000/month then further reduced by issuing a check amounting to only \$1,500 for the month. Adding insult was the note of "Travel Expense" as indicated on one check in the memo section or an incomplete or misspelled name field when handed a check.

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As time passed and Mr. Manafort and Mr. Cohen stopped funding their required amounts, money was misappropriated and checks became more sporadic. One check for pay was even written to Scott Snizek from Balcott & Morgan Management, LLC-a company of Brad Jackson's. It was seemingly meant to provide financial help, but in reality, it is just another way they avoid paying employees what they are owed.

The following check images for Scott Snizek can be shown in support of the above:

- 08-06-2008 \$1500 CMZ Ventures, LLC to Scott Snizek Check #1021(1st check)
- 02-03-2009 \$1500 CMZ Ventures, LLC to Scott Snizek Check #1103
- 02-28-2009 \$ 600 CMZ Ventures, LLC to Scott Snizek Check #1114
- 03-12-2009 \$ 800 CMZ Ventures, LLC to Scott Snizek Check #1115
- 04-02-2009 \$ 250 Balcott & Morgan Management, LLC to Scott Snizek Check #1190

Related CitiBank ATM DEPOSITS can be indicated in the Citibank checking account of Scott Snizek:

- 08-11-2008 ATM DEPOSIT \$ 1,500.00
- 08-18-2008 ATM DEPOSIT \$ 1,000.00
- 09-15-2008 ATM DEPOSIT \$ 1,500.00
- 10-15-2008 ATM DEPOSIT \$ 1,500.00
- 11-26-2008 ATM DEPOSIT \$ 1,500.00
- 12-15-2008 ATM DEPOSIT \$ 1,500.00
- 02-05-2009 ATM DEPOSIT \$ 1,500.00
- 03-18-2009 ATM DEPOSIT \$ 800.00
- 03-23-2009 ATM DEPOSIT \$ 600.00
- 04-10-2009 ATM DEPOSIT \$ 250.00

Total \$11,750.00

Balance owed to Scott Snizek (not including health insurance, taxes, etc.) is approx. \$88,250.00. It is calculated as \$100,000 indicated salary - \$11,750 of total compensation given by CMZ Ventures and Balcott & Morgan Management, LLC which equals \$88,250.00.

Employees Steve Jackson and Chris Makos have been employed longer and are owed greater amounts.

Former employee, Christy Gregory, left due to her loss of pay. She was partially reimbursed after being owed close to 8 months of back pay, but she is still owed pay. She left after realizing the same pattern of non payment forming.

Employees, Garth Symonds and Sam Lee are recognized as senior employees, and it is believed that they are owed monies as well. On May 6th, 2009 Garth Symonds emailed a request to Arthur Cohen for \$900.00 on behalf of Brad Jackson to keep the Dynamic-CMZ business phone line in service. Long distance phone service was turned off so Mr. Symonds used his cell phone for the long distance calls dialed by the company. As of June 19th, 2009 212-248-5230, the main business phone line for Dynamic, had been turned off. It has only recently been turned back on.

Prior to this, there was a time when the company was without internet service and relied solely upon the wireless modem and internet service of employee, Scott Snizek. No reimbursement was ever offered by Dynamic for the cost of service or for the use of his personal internet access to allow Dynamic to conduct business. Verizon originally supplied the internet service to Dynamic. DIGIZIP, a Verizon 3rd party company that Arthur Cohen used and recommended to Dynamic was used when Dynamic was having problems dealing with Verizon. After using DIGIZIP and contacting them about a question with a billing statement, Dynamic learned that DIGIZIP never had the services transferred over from Verizon. Steve Jackson noticed the redundant charges for internet service from both Verizon and DIGIZIP, so he cancelled the Verizon service. As a result, ALL internet service was turned off. When it was questioned, it was found out that DIGIZIP only cashed checks from Dynamic and never did anything in regard to providing service. Since Verizon's service was never switched over by Arthur Cohen's recommended company it was the only service to be turned off resulting in full loss of internet to Dynamic. An appointment was then required to reconnect Verizon which took over two weeks to resolve. Snizek's modem was the only access to the internet during that time.

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In conducting research on Mr. Cohen it documented that he has been accused of fraud before and has been investigated by the Federal Bureau of Investigation. He settled with the Department of Justice and agreed to pay \$4.5 million to resolve claims that he violated federal banking laws during the time when he owned and controlled CorEast Savings Bank, FSB of Richmond, Virginia and its predecessors. The \$4.5 million settlement represented the largest monetary recovery by the United States in a civil penalty action under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).

The Lancaster Group, in conducting due diligence on Cohen in connection to involvement in the Drake transaction, was provided to Dynamic by Mr. Frank Orenstein. (See attached)

U.S. Settles Civil Suit With Arthur G. Cohen Of New York; Cohen To Pay Record \$4.5 Million

In conducting research on Mr. Manafort, there are similar questions surrounding business practices of his with companies, 3eDC and Davis Manafort as noted in the following postings hyperlinks below:

- Wall Street Journal: "[McCain Manager Roils Campaign Davis Returns After Ouster Amid Questions on Spending, Ties](#)"
- The Washington Post: "[The Hidden Campaign-A Well-Connected Campaign Firm Resurfaces](#)"
- Newsweek: "[Freddie Mac Money Trail Catches Up With McCain](#)"
- A portion of Divina K. Westerfield's blog is more reference material of Manafort's character. Westerfield was a former employee of Manafort's firm:
<http://my.barackobama.com/page/community/blog/divinawesterfield>:
 - o "Some of you may know that I have worked in D.C. directly for the very man (Charlie Black) that runs McCain's campaign. I worked for Black, Manafort, Stone & Kelly (BMSK) for 1 year as a lobbyist - the most trying year of my life - and I received a W-2 from them. BMSK were the worst womanizers I had ever experienced. Roger Stone (a Republican operative called the "state of the art sleaze ball" by The New Republic) had his girlfriend into the office often; we had to be careful to keep his wife away from the girlfriend".
 - o "Paul Manafort made untold passes at me which I discussed directly with Charlie - and when I did, I got fired. Charlie Black is now running McCain's campaign."
 - o DIVINA K. WESTERFIELD, JD, 5020 Clark Road, Suite 117, Sarasota, FL 34233. Cell: 941-544-3174

Tax violations and related employment violations of New York City, State, and Federal laws, will likely found in regard to the business practices of the partners.

Due to the players involved, a potential cascade of additional violations will likely be uncovered as well involving interstate and international employment law, foreign representation registration, money laundering, wiring crime, Securities and Exchange Commission violations, and violations of interstate and international limited liability laws. We are requesting that your offices help us navigate through the investigation process with the proper authorities.

We request that federal prosecutors such The President's Corporate Fraud Task Force work with the local offices of Mr. Robert Morgenthau, and Mr. Andrew M. Cuomo, to conduct an investigation of our claim so that they may aggressively seek amends for our matter and prohibit the practice from occurring in any future. We request that Mr. Cuomo excuse himself from the investigation due to his familiarity with Mr. Zackson.

As employees, we wish to remain anonymous in the press to avoid further harm to our professional reputations and future earning potential should we be personally named. We request assistance in expediting payment of our full salaries, health care and any other compensation that we as employees may be entitled to.

Supporting documents relating to the above matter can be provided to allow a comprehensive investigation to take place. On behalf of my fellow employees, thank you.

Respectfully submitted,
 Scott Snizek

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Background:

DYNAMIC WORLDWIDE DEVELOPMENT LLC, originally, was a client of employee, Scott Snizek. He negotiated a contract to purchase a 2000 acre peninsula known as Sound Point on Eleuthera, in The Commonwealth of The Bahamas. The purchase agreement was signed on 09/23/2007. Purchase price: \$14,000,000 USD. The sale commission of 10% equaled \$1,400,000 to be split between vendor's and purchasers respective agents.) Date of completion was to be on or before May 1, 2008 or within 30 days of approvals.

In January of 2008, arrangements were begun in order to make a smooth transition from Knickerbocker Village New York where he served as the Director of Commercial. Following the unexpected death of Bishop Thompson-their Bahamian representative, in August of 2007, Snizek began making arrangements to make a transition to Dynamic so he could work closely on the deal. In January of 2008, he started part time and became full time in late March, early April of 2008. Attempts to transfer his sales license to Dynamic were unsuccessful because Dynamic was not in good standing with the NY Department of State so it remained with Knickerbocker Village New York.

First notice of odd activities:

- Snizek was never reimbursed by DYNAMIC WORLDWIDE DEVELOPMENT LLC for the cost of hiring pilot Captain Ricardo Laing and cost of airplane transportation to Eleuthera in connection to a site visit to Sound Point on 06/03/07. In attendance were architect Donald Dean, Vendor's broker, Hugh Burke, Bishop Thompson, Scott Snizek and Brad Zackson. The flight cost \$1650.00. Bishop Thompson and Scott Snizek gave Capt. Laing a cash deposit of \$600.00 to reserve the plane. The balance of \$1050.00 was wired by Scott Snizek on Monday June 4, 2007 to the Savings account ABA021000021 Acct#737-8557 in the Name of Ricardo & Dorothy Laing. Citibank reference number: 1561211299.
- The Common Seal of DYNAMIC WORLDWIDE DEVELOPMENT LLC was incorrectly affixed as DYNAMIC WORLDWIDE PROPERTIES, LLC to page 16 of the Sound Point contract on 10/01/07.
- Lazar Kasey Thompson who was working as Dynamic's exclusive Bahamian representative was also not fully reimbursed for his services and expenses in connection to the Sound Point transaction. He tragically died from complications from a stress related illness a month before receiving the Sound Point contract. Obituary: THOMPSON, BISHOP LAZAR KASEY, 41, of Miami Beach. Born in Alicetown Bimini, Bahamas went to be with his Savior on 8/20/07. He was survived by his mother, Beatrice Thompson and father, Patrick Brown both of Bimini Bahamas. He was also survived by 1 brother and 6 sisters and many Aunts, Uncles, Nieces and Nephews. Visitation will be Friday 8/31 5pm-9pm at Victory Christian Center 100 SW Dixie Hwy., Hallandale, FL. Service will be Sat. 9/1, 11 AM at New Jerusalem Baptist Church 777 NW 85 St. Miami, FL. Published in The Miami Herald on 8/30/2007. Oddly, nothing was sent by Dynamic to show their respect. A floral arrangement was sent by Knickerbocker Village NY.
- Numerous wiring delays, draws and transactions on behalf of Arthur Cohen's entity, Vulcan Properties, Inc., and lender Rob Entler of Big Horn Capital, Inc., to the Vendor W.G.B. Limited c/o Messrs, Dupuch & Turnquest & Co., and purchaser's Bahamian attorney Ruth Bowe-Darville, in February and March of 2008. See attached.
- On 05/08/2008 at 2pm Brad Zackson, Paul Manafort, Jr., were introduced by Scott Snizek to the Bahamian Ambassador C.A. Smith at The Embassy of the Bahamas to discuss the Sound Point contract. Location: 2220 Massachusetts Ave., N.W., Washington, D.C. 20008, T: 202-319-2660 x618 Assistant-Cecile, F: 202-319-2668. As per our conversation, stated plans were to include another visit to the site in June of 2008 with architect Donald Dean and a "world class" due diligence team. In fact, proper due diligence in connection to the purchase was never performed at all and absolutely no new studies were conducted on the land. No site visits were ever made after the contract was executed. Contract never closed.
- Alvaro Alguilar Alfu (aaguilar@laglex.com) on 01/08/09 requested \$900.00 from Brad Zackson for annual taxes and agent fees due for second period 2008-2009 in connection to Panama Corporation Taxes for: **DVN ELEUTHERA DEVELOPMENT INC.** and **DYNAMIC VULCAN ELEUTHERA INC.**
- Upon joining Dynamic in April of 2008, no contract and no tax documentation was offered.
- Compensation from CMZ Ventures/Dynamic to Snizek only began on August 6th of 2008.
- Eleuthera contract was extended to a September 2008 closing date but never closed.