

UNITED STATES DISTRICT COURT

for the
Western District of Washington

FILED
LODGED
JUL 17 2009
AT SEATTLE
CLERK U.S. DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
DEPUTY

In the Matter of the Search of)
(Briefly describe the property to be searched)
or identify the person by name and address))
Office Search of Regenesys 2x2/Streamline Media)
Inc., UPS, P.O. Box 241 & 2007 Chevrolet Tahoe,)
more fully described in Attachment A, attached hereto)

Case No.

MJ09-357

APPLICATION FOR A SEARCH WARRANT

I, a federal law enforcement officer or an attorney for the government, request a search warrant and state under penalty of perjury that I have reason to believe that there is now concealed on the following person or property located in the Western District of Washington (identify the person or describe property to be searched and give its location):

Locations and vehicle, more fully described in Attachment A, attached hereto

The person or property to be searched, described above, is believed to conceal (identify the person or describe the property to be seized): See Attachment B

The basis for the search under Fed. R. Crim. P. 41(c) is (check one or more):

- ☒ evidence of a crime;
☒ contraband, fruits of crime, or other items illegally possessed;
☒ property designed for use, intended for use, or used in committing a crime;
☐ a person to be arrested or a person who is unlawfully restrained.

The search is related to a violation of 18 U.S.C. § 1343 & 1349, and the application is based on these facts:

- ☒ Continued on the attached sheet.
☐ Delayed notice of days (give exact ending date if more than 30 days:) is requested under 18 U.S.C. § 3103a, the basis of which is set forth on the attached sheet.

Matthew N. Flick

Applicant's signature

MATTHEW FLICK, Special Agent, USSS

Printed name and title

Sworn to before me and signed in my presence.

Date: July 17, 2009

City and state: Seattle, Washington

Brian A. Tsuchida

Judge's signature

BRIAN A. TSUCHIDA, Magistrate Judge

Printed name and title

ATTACHMENT A

A. 38579 Southeast River Street, Suite 5, Snoqualmie, Washington, 98065

This target location is a light beige with white trim, multi unit commercial office building in downtown Snoqualmie, Washington. The building is surrounded by Southeast River Street to the South, the Snoqualmie Post Office to the North, Doone Lane Southeast to the East, and Olmstead Lane Southeast to the West.

Suite 5 is located on the first floor, West side of the building. Suite 5 is known to have access from both an interior hallway door via the main entrance from Southeast River Street, as well as direct access from the adjacent parking area immediate to the West side of the building. Suite 5 is not believed to extend to the second floor.

B. Postal Box # 241

The UPS Store, 218 Main Street, Kirkland, WA 98033

This target is located along a single story commercial business front called the Kirkland Square Plaza, between Main Street to the West, Park Lane to the South, and Central Way to the North. This UPS Store has two entrances. One entrance is located on Main Street, the West side of the store front, between Taco Del Mar and Sterling Savings Bank. The second entrance on the East side of the store front is accessed through Kirkland Square parking lot between Taco Del Mar and Sterling Savings Bank.

C. Gray 2007 Chevrolet Tahoe, Sport Utility Vehicle, 2007,

Washington License Plate - 282 XYA

Vehicle Identification Number: 1GNFK13097J381560

ATTACHMENT B

A. The following records, documents, files, or materials, in whatever form, including handmade or mechanical form (such as printed, written, handwritten, or typed); photocopies or other photographic form; and electrical, electronic, and magnetic form (such as tapes, cassettes, hard disks, floppy disks, diskettes, compact discs, CD-ROMs, DVDs, optical discs, Zip cartridges, printer buffers, smart cards, or electronic notebooks, or any other storage medium) that constitute evidence, instrumentalities, or fruits of violations of Wire Fraud and Conspiracy to Commit Wire Fraud, in violation of Title 18, United States Code, Sections 1343 and 1349 are to be seized:

1. Any and all records, documents, or materials, relating to the financial accounting records, including but not limited to, check registers, general journals and supporting journals, logs, spreadsheets, general ledgers, schedules, payroll records, reconciliations, checks, remittance advices, receipts, invoices, mail, envelopes, tax returns, financial statements and other related documentation involving Regenesi Marketing Corporation, Regenesi2x2, Streamline Media Inc, www.regenesis2x2.com, any e-mails with the @gmail.com or @regenesi2x2.com extensions, Ellen Lelas, Jeffrey Snyder, Kristen Snyder, Carolyn Easter, Teresa Zepp, Heather Lelas, or other past or present employees, from January 1, 2009, to the present.

2. Any and all records, documents, or materials evidencing bank account records and other information showing the receipt and disbursement of funds to include canceled checks, deposit and withdrawal slips, cashier's, manager's and/or certified checks, account and transaction records from companies offering funds transfer services (such as Western Union), money drafts, credit card receipts, letters of credit, passbooks, ledgers, advice of debit/credit, and orders for telegraphic or electronic payment or transfer; safe deposit box numbers and entry records; certificates of deposit, bonds, notes and /or acceptances; wire transfers, bank statements, account applications and all other bank documents including correspondence, notes and memoranda, related to transactions, transportation, ordering, and purchase or acquisition of personal assets, persons or business entities, or accounts from January 1, 2009 to the present.

3. Employment agreements, payroll records, compensation records, personnel files, and documents and records relating to Regenesi Marketing Corporation, Regenesi2x2, Streamline Media Inc, www.regenesis2x2.com, any e-mails with the @gmail.com or @regenesi2x2.com extensions, Ellen Lelas, Jeffrey Snyder, Kristen Snyder, Carolyn Easter, Teresa Zepp, Heather Lelas, or other past or present employees, from January 1, 2009 to the present.

4. Any and all mail, address books, calendars, appointment books, diaries, journals, photographs, passwords, access numbers and related information for Regenesi

Marketing Corporation, Regenesi2x2, Streamline Media Inc, www.regenesi2x2.com, any e-mails with the @gmail.com or @regenesi2x2.com extensions, Ellen Lelas, Jeffrey Snyder, Kristen Snyder, Carolyn Easter, Teresa Zepp, Heather Lelas, or other past or present employees, from January 1, 2009 to the present

5. Papers, documents, mail, or other items in any form evidencing dominion and control of the location being searched.

6. Letters, memos, mail, emails, or other documents or recorded communications by or among entities of Regenesi Marketing Corporation, Regenesi2x2, Streamline Media Inc, www.regenesi2x2.com, any e-mails with the @gmail.com or regenesi2x2.com extensions, or to or from Ellen Lelas, Jeffrey Snyder, Kristen Snyder, Carolyn Easter, Teresa Zepp, Heather Lelas, or other past or present employees, from January 1, 2009, to the present, participants, directors, employees and affiliated independent contractors relating to financial, or business transactions and/or any of the crimes described herein.

7. Papers, documents, mail, or other items in any form indicating ownership and/or control and/or operation of Regenesi Marketing Corporation, Regenesi2x2, Streamline Media Inc, www.regenesi2x2.com, any e-mails with the @gmail.com or regenesi2x2.com extensions, or any storage unit or storage facility.

8. Any and all computers and scanners located in the above-described premises, including, as to that equipment, any and all computer hardware, software, peripherals, internal or external storage devices and media, user names, passwords or phrases, internet connection and use information, security devices used in the commission of the above-described crimes or used to store evidence of the above-described crimes; any data in whatever form showing or containing evidence of the above-described crimes; and all records ownership and/or identifying the user(s) of computer equipment. Storage devices and media include but are not limited to hard drives, diskettes, of all sizes and capacities, compact disks (CDs), both read-only and recordable, tapes used for system and file back up, and any other magnetic, optical, or other storage medium.

THE SEIZURE OF COMPUTER SYSTEMS AND/OR THEIR COMPONENTS AS SET FORTH HEREIN IS SPECIFICALLY AUTHORIZED BY THIS SEARCH WARRANT, NOT ONLY TO THE EXTENT THAT SUCH COMPUTER SYSTEMS CONSTITUTE INSTRUMENTALITIES OF THE CRIMINAL ACTIVITY DESCRIBED ABOVE, BUT ALSO FOR THE PURPOSE OF THE CONDUCTING OFF-SITE EXAMINATIONS OF THEIR CONTENTS FOR EVIDENCE, INSTRUMENTALITIES, OR FRUITS OF THE AFOREMENTIONED CRIMES.

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1 investigating ELLEN LELAS, JEFFREY SNYDER, and a business known as
2 Regenesi2x2 (throughout this affidavit Regenesi Marketing Corporation and
3 Regenesi2x2 will be used interchangeably) for mail fraud, wire fraud, and conspiracy for
4 approximately five weeks. During the course of this investigation, it has become apparent
5 that ELLEN LELAS, JEFFREY SNYDER, and other persons known and unknown are
6 operating a pyramid style Ponzi scheme through the Internet based company
7 Regenesi2x2.

8 **PREMISES TO BE SEARCHED**

9 4. This affidavit is being submitted in support of an application for a search
10 warrant authorizing the search two locations, located at 38579 Southeast River Street,
11 Suite 5, Snoqualmie, Washington (Streamline Media Inc, business office location), and
12 Postal Box # 241, The UPS Store, 218 Main Street, Kirkland, WA (Store # 1576), and a
13 2007 Chevrolet Tahoe, Sport Utility Vehicle, 2007, Washington License Plate - 282XYA,
14 Vehicle Identification Number: 1GNFK13097J381560, as more fully described in
15 Attachment A to this Affidavit, and the seizure of evidence, contraband, fruits, and
16 instrumentalities of alleged violations of Title 18, United States Code, Sections 1343 and
17 1349, as more fully described in Attachment B to this Affidavit, which is incorporated
18 herein by this reference.

19 **BACKGROUND REGARDING COMPUTERS AND THE INTERNET**

20 5. As part of my training and experience as well as information obtained from
21 discussions with other law enforcement officers with experience in cases involving
22 computer use, I have become familiar with the Internet, which is a global network of
23 computers and other electronic devices that communicate with each other using various
24 means, including standard telephone lines, high speed telecommunications links (e.g.
25 copper and fiber optic cable), and wireless transmissions including satellite. Due to the
26 structure of the Internet, connections between computers on the Internet routinely cross
27 state and international borders, even when the computers communicating with each other
28 are in the same state. Individuals and entities use the Internet to gain access to a wide

1 variety of information; to send information to, and receive information from, other
2 individuals; to conduct commercial transactions; and to communicate via electronic mail
3 ("e-mail"). An individual who wants to use Internet e-mail must first obtain an account
4 with a computer that is linked to the Internet, for example, through a university, an
5 employer, or a commercial service (called an "Internet Service Provider" or "ISP" (see
6 definition or "Internet Service Provider" below)) Once the individual has accessed the
7 Internet, that individual can do a variety of things including visiting websites (see
8 definition of "website" below), and make conduct purchase or other financial transactions
9 from websites.

10 6. The following are some definitions of technical terms used within this
11 Affidavit, pertaining to the Internet and computers more generally:

12 a. The term "computer", as used herein, is defined pursuant to Title 18,
13 United States Code, Section 1030(e)(1), as "an electric, magnetic, optical,
14 electrochemical, or other high speed data processing device performing logical or storage
15 functions, and includes any data storage facility or communications facility directly
16 related to or operating in conjunction with such device."

17 b. Internet Service Providers ("ISPs") and the Storage of ISP Records:
18 Internet Service Providers are commercial organizations that are in the business to
19 provide individuals and businesses access to the Internet. ISPs may provide a range of
20 functions for their customer including access to the Internet, web hosting, e-mail, remote
21 storage, and co location of computers and other communication equipment.

22 c. Website: A website consists of textual pages of information and
23 associated graphic images. The textual information is stored in a specific format known
24 as Hyper Text Mark Up Language ("HTML") and is transmitted from the web servers to
25 various clients via the Hyper Text Transport Protocol ("HTTP").

26 d. Website Hosting: Website hosting provides the equipment and services
27 required to host and maintain files for one or more websites and to provide rapid Internet
28 connections to those websites. Hosting can be "shared," which means that multiple

1 websites of unrelated companies are on the same server in order to reduce associated
2 costs. When a client develops a website, the client needs a server and perhaps a web
3 hosting company to host it. "Dedicated hosting" means that the web hosting company
4 provides all of the equipment and assumes all of the responsibility for technical support
5 and maintenance of a website. "Co location" means a server is located at a dedicated
6 hosting facility designed with special resources, such as a secure cage, regulated power, a
7 dedicated Internet connection, online security and online technical support. Co location
8 facilities offer customers a secure place to physically house their hardware and
9 equipment.

10 e. Domain Name: Domain names are typically strings of alphanumeric
11 characters, with each level delimited by a period that is associated with a unique Internet
12 Protocol ("IP") addresses (defined below). For example, a domain name of
13 "www.usdoj.gov" refers to the IP address of 149.101.1.32. Each level, read backwards
14 from right to left, further identifies parts of an organization. Examples of first level or top
15 level domain are typically .com for commercial organizations, .gov for the United States
16 government, .org for organizations, and .edu for educational organizations. Second level
17 names will further identify the organizations, for example usdoj.gov further identifies the
18 United States governmental agency to be the Department of Justice. Additional levels
19 may exist as needed until each machine is uniquely identified. For example,
20 www.usdoj.gov identifies the World Wide Web server located at the United States
21 Department of Justice, which is part of the United States government.

22 f. "Records," "Documents," and "Materials" include all information
23 recorded in any form, visual or aural, and by any means, whether in handmade form
24 (including, but not limited to, writings, drawings, paintings); photographic form
25 (including, but not limited to, microfilm, microfiche, prints, slides, negatives, videotapes,
26 motion pictures, photocopies); mechanical form (including, but not limited to,
27 phonograph records, printing, typing); or electrical, electronic or magnetic forms
28 (including, but not limited to, tape recordings, cassettes, compact discs, electronic or

1 magnetic storage devices such as floppy diskettes, hard disks, CD-ROMs, digital video
2 disks (DVDs), Personal Digital Assistants (PDAs), Multi Media Cards (MMCs), memory
3 sticks, optical disks, printer buffers, smart cards, memory calculators, electronic dialers,
4 Bernoulli drives, or electronic notebooks, as well as digital data files and printouts or
5 readouts from any magnetic, electrical or electronic storage devices).

6 **SPECIFICS FOR SEARCHES AND SEIZURES OF COMPUTER SYSTEMS**

7 7. I have consulted with Special Agent Nathan Lee for the United States
8 Secret Service and Detective David Dunn, Seattle Police Department, who are experts in
9 computer searches. According to SA Lee, Detective Dunn and based on my consultation
10 with other agents and detectives who have been involved in the search of computers and
11 retrieval of data from computer systems and related media, I know that searching and
12 seizing information from computers often requires agents to seize all electronic storage
13 devices (along with related peripherals) to be searched later by a qualified computer
14 expert in a laboratory or other controlled environment. This is true because of the
15 following:

16 a. Volume of Evidence. Computer storage devices (like hard disks,
17 diskettes, tapes, laser disks, CD-ROMs, DVDs, and Bernoulli drives) can store the
18 equivalent of hundreds of thousands of pages of information. Additionally, a suspect may
19 try to conceal criminal evidence, and he/she might store criminal evidence in random
20 order or with deceptive files names or deceptive file extensions. This requires searching
21 authorities to examine all the stored data to determine which particular files are evidence
22 or instrumentalities of crime. This sorting process can take even weeks or months,
23 depending on the volume of data stored, and it would be impractical to attempt this kind
24 of data search on site.

25 b. Technical Requirements. Searching computer systems for criminal
26 evidence is a highly technical process, requiring expert skill and a properly controlled
27 environment. The vast array of computer hardware and software available requires even
28 computer experts to specialize in some systems and applications, so it is difficult to know

1 before a search which expert is qualified to analyze the system and its data. In any event,
2 data search protocols are exacting scientific procedures designed to protect the integrity
3 of the evidence and to recover even "hidden," erased, compressed, password-protected, or
4 encrypted files. Since computer evidence is extremely vulnerable to inadvertent or
5 intentional modification or destruction (both from external source and from destructive
6 codes imbedded in the system, such as "booby traps"), a controlled environment is
7 essential to it's compete and accurate analysis.

8 c. Hidden or Obfuscated Evidence. Computer users can conceal data
9 within computers and electronic storage media through a number of methods, including
10 the use of innocuous or misleading filenames and extensions. For example, files with the
11 extension ".jpg" often are image files; however, a user can easily change the extension to
12 ".txt" to conceal the image and make it appear as through the file contains only text.
13 Similarly, computer users can encode communications to avoid using key words that
14 would be consistent with the criminal activity. Computer users can also attempt to
15 conceal electronic evidence by using encryption technologies. For example, some
16 encryption systems require that a password or device, such as a "dongle" or "keycard," be
17 used to obtain a readable form of the data. In addition, computer users can conceal
18 electronic evidence with another seemingly unrelated and innocuous file using a process
19 known as "steganography." For examples, by using steganography, a computer user can
20 conceal text in an image file in such a way that it cannot be read when the image file is
21 opened using ordinary means. As a result, law enforcement personnel may have to search
22 all the stored data to determine which particular files contain items that may be seized
23 pursuant to the warrant. This sorting process can take a substantial amount of time,
24 depending on the volume of data stores as well as other factors.

25 d. Deleted or Downloaded Files. Computers and other electronic
26 storage media allow suspects to delete files to attempt to evade detection or to take other
27 steps designed to frustrate law enforcement search for information. However, searching
28 authorities can recover computer files or remnants of such files months or even years after

1 they have been downloaded onto a hard drive, deleted, or viewed via the Internet. When
2 a person "deletes" a file on a home computer, the data contained in the file do not actually
3 disappear; rather, the data remains on the hard drive until they are overwritten by new
4 data. As a result, deleted files, or remnants of deleted files, may reside in free or "slack"
5 space (i.e., in space on the hard drive that is not allocated to an active file or that is
6 unused after a file has been allocated to a set block of storage space) for long periods of
7 time before they are overwritten. A computer's operating system may also keep a record
8 of deleted data in a "swap" or "recovery" file. Similarly, files that have been viewed via
9 the Internet are automatically downloaded into a temporary Internet directory or "cache."
10 The browser typically maintains a fixed amount of hard drive space devoted to these files,
11 and the files are only overwritten as they are replaced with more recently viewed Internet
12 pages. Thus, the ability to retrieve the residue of an electronic file from a hard drive
13 depends less on when the file was downloaded or viewed than on a particular user's
14 operating system, storage capacity, and computer habits.

15 e. Search Techniques. Because of the above-described technical
16 requirements, volume of evidence, and the ability of suspects to delete, download, hide
17 and/or obfuscate evidence, the analysis of electronically stored data may necessitate any
18 or all of several different computer forensic techniques. Such techniques may include,
19 but are not limited to, surveying various file "directories" and the individual files they
20 contain (analogous to looking at the outside of a file cabinet for the pertinent files in order
21 to locate the evidence and instrumentalities authorized for seizure by the warrant);
22 "opening" or reading the first few "pages" of such files in order to determine their precise
23 contents; "scanning" storage areas to discover and possibly recover recently deleted data;
24 scanning storage areas for deliberately hidden files; and performing electronic "keyword"
25 search through all electronic storage areas to determine whether occurrences of language
26 contained in such storage areas exists that are related to the subject matter of the
27 investigation.

28 8. Based upon my consultation with experts in computer searches and data

1 retrieval from computers and related media, and consultations with other agents and
2 detectives who have been involved in the search of computers and retrieval of data from
3 computers systems, I know that searching computerized information for evidence of
4 instrumentalities or crime commonly requires agents to seize all of a computer system's
5 input/output peripheral devices, related software, documentation, and data security
6 devices (including passwords) so that a qualified computer expert can accurately retrieve
7 the system's data in a laboratory or other controlled environment. This is true because of
8 the following:

9 a. The peripheral devices which allow users to enter or retrieve data
10 from the storage devices vary widely in their compatibility with other hardware and
11 software. Many system storage devices require particular input/output (or "I/O") devices
12 in order to read the data on the system. It is important that the analyst be able to properly
13 re-configure the systems as it now operates in order to accurately retrieve the evidence
14 contained therein. In addition, the analyst needs the relevant system software (operating
15 systems, interfaces, and hardware drivers) and any applications software, which may have
16 been used to create the data (whether stored on hard drives or on external media), as well
17 as all related instruction manuals or other documentation and data security devices. If the
18 analyst determines that the I/O devices, software, documentation, and data security
19 devices are not necessary to retrieve and preserve the data after inspection, the
20 government will return them within a reasonable time.

21 b. In order to fully retrieve data from a computer system, the analyst
22 also needs all magnetic storage devices as well as the central processing unit (CPU).
23 Further, the analyst again needs all the system software (operating systems or interfaces,
24 and hardware drivers) and any applications software that may have been used to create the
25 data (whether stored on hard drives or on external media) for proper data retrieval.

26 9. In addition, there is probable cause to believe that the computer and its
27 storage devices are all instrumentalities of the crimes of wire fraud, in violation of law,
28 and should be seized. I have been advised by an examiner who has conducted computer

1 searches and data retrieval from computers in a laboratory setting, that such searches can
2 be complex and time consuming.

3 10. Additionally, I have learned the following information:

4 a. Over the last several years, the size of electronic storage media has
5 doubled approximately every twelve months. Inexpensive software capable of "cloning"
6 a computer hard drive onto a larger hard drive is readily available. As a result, the need
7 for users to routinely delete items from their hard drives due to a lack of space has all but
8 disappeared. As a consequence, fewer deleted files are being identified relative to the
9 total number of files stored on the computer or storage device.

10 b. Between the increasing complexity of operating systems today and
11 the rich content available on the Internet, the interplay between software applications and
12 computer operating systems often results in material being stored multiple times and even
13 in different locations in a given piece of computer media without the user's knowledge.
14 Even if the computer user is sophisticated and understands this automatic storage of
15 information on his or her computer's hard drive, attempts at deleting the material often
16 fail because the material may be automatically stored multiples times and sometimes in
17 multiple locations within the computer media. As a result, digital data that may have
18 evidentiary value to this investigation could exist in the user's computer media despite,
19 and long after, attempts to delete it.

20 c. Evidence of an online storage account may take the form of
21 passwords located in encrypted, archived or other files on the user's computer. Other
22 evidence can also be found through unique software that may exist on a user's computer
23 that has been developed by the online storage service. This unique software will
24 frequently contain evidence not only of the existence of such accounts, but the login and
25 password.

26 11. Based on my training and experience, I know that computers are frequently
27 used to perpetrate fraud schemes and that several fraud schemes have successfully been
28 implemented over the Internet, including (1) advance fee schemes, (2) chain letters

1 schemes and (3) Ponzi schemes. Advance fee schemes occur when an offender advertises
2 the availability of goods or services and requires payment in advance. Only after paying
3 do victims discover that the goods and services are defective, inferior, or nonexistent.
4 With chain letters, victims may receive, either via postal mail or now by email, a letter
5 containing a list of names and addresses to whom the recipients are urged for various
6 reasons to send money. Recipients may add their names to the list (sometimes removing
7 the topmost name to keep the number of participants constant) before redistributing the
8 updated letter. Ponzi schemes promote allegedly lucrative business opportunities, often
9 involving foreign currency exchange, precious metals trading, or other high return
10 investments. But, in a Ponzi scheme, there is in fact no underlying profitable business to
11 support the payments promoters say they will make to the investors. Instead, the
12 promoters simply use the money obtained from a growing base of later investors to pay
13 so-called "profits" to earlier investors. Such schemes that depend on growing the base of
14 new victims to support payments to prior participants are also referred to as pyramids.
15 The Internet is increasingly used as a vehicle to promote each of these types of frauds.

16 12. Ponzi schemes have evolved with the development of the Internet, but their
17 basic premise remains the same: later investors' funds are used to pay the earlier
18 investors. A version of the Ponzi scheme that law enforcement officials have
19 encountered in recent years and that has been replicated in the instant case is referred to
20 as an "auto-surf program." "Auto-surf" claims to be a form of online advertising program
21 that generates revenue from so called "advertisers" who pay a membership fee to have
22 their website displayed on the "host's" webpage. As part of the program and to encourage
23 more "advertisers" to pay the membership fee, the "host" pays the "advertisers" a "rebate"
24 each time they view fellow "advertisers'" web pages. Moreover, the "host" encourages
25 "advertisers" to recruit new "advertisers" by paying existing "advertisers" a referral fee.
26 In this model, the "host" generates most, if not all, of its funding from membership fees,
27 and therefore must use money received from later "advertisers" to pay "rebates" and
28 referral fees to earlier "advertisers." These programs collapse when new "advertisers"

1 membership fees fail to cover the payouts promised to existing "advertisers."

2 **THE INVESTIGATION**

3 13. The Seattle Field Office has been working on this investigation with the
4 assistance and input from the Federal Trade Commission, Seattle Police Department,
5 Kirkland Police Department, Washington State's Department of Revenue, Employment
6 Security Department, and the Department of Licensing.

7 14. During the course of this investigation, it has become apparent that ELLEN
8 LELAS, JEFFREY SNYDER, and other persons known and unknown are operating a
9 pyramid style Ponzi scheme through the Internet based company Regenesi2x2.
10 Throughout this affidavit Regenesi Marketing Corporation and Regenesi2x2 will be
11 used interchangeably.

12 15. On or about May 20, 2009, the US Secret Service, Seattle Field Office,
13 received information from a reliable source regarding Regenesi Marketing Corporation
14 and/or Regenesi2x2 and numerous associated financial transactions. The source
15 believed that Regenesi Marketing Corporation and its business manager(s) were using
16 the Internet to operate an elaborate pyramid style Ponzi scheme. Based on bank account
17 activity and claims made by the company and its marketing materials, Regenesi2x2
18 appears to have begun operating as early as January 2009.

19 16. I confirmed that Regenesi2x2 operates over the Internet at
20 www.regenesis2x2.com/d.cgi/company/home1.html. This website claimed that
21 participants can earn large profits simply by investing a modest \$300 fee to purchase a
22 "commission center" and then actively or passively recruit more members to do the same.

23 17. Further investigation revealed that there is probable cause to believe that
24 Regenesi2x2 is a fee based pyramid style Ponzi scheme and does not offer any definable
25 product other than promoting the continued operation and expansion of the Regenesi2x2
26 scheme. Although Regenesi2x2 calls its members "commission centers" instead of
27 "investors," likely in an effort to avoid some type of regulatory scrutiny, Regenesi2x2
28 promotes paid membership by claiming that its members can earn a minimum of 125%

1 return on their membership fee for each "commission center" opened. In addition,
2 throughout Regenesi2x2's promotional materials, members are encouraged to actively
3 recruit additional members, or allow the company's "Automated Recruiting System" to
4 passively place additional members downstream in an effort to complete the 2x2 matrices
5 to earn additional commissions for participants. Even without additional individual
6 investment, Regenesi2x2's website touts that a member may likely earn possible monthly
7 income of \$1,200 (400%) or more from an individual's initial \$300 investment.

8 18. Regenesi2x2's website, marketing materials, and recorded conference calls
9 make no claim of external investment, advertisement revenue, or any product or service
10 that generates income through the business sufficient to generate the income needed to
11 support commissions for its ever growing membership. Thus absent continuous
12 membership growth Regenesi2x2 has no means to generate the returns it represents to its
13 customers. Therefore, based on the preceding, I believe there is probable cause that
14 Regenesi2x2 is a sophisticated pyramid style Ponzi scheme that, by its very nature, will
15 result in significant financial loss to its participants. Regenesi2x2 boasts that its Internet
16 operation involves business transactions and income to individuals throughout the United
17 States and some foreign countries. According to its promoters' statements during
18 recorded conference calls, Regenesi2x2 claims to be expanding its operation outside the
19 United States.

20 **REGENESIS2X2 BUSINESS MODEL**

21 19. On June 15, 2009, a member of the US Secret Service Electronic Crimes
22 Task Force initiated an online investigation and archived several items of interest from
23 the website www.regenesis2x2.com. The investigator created a fictitious e-mail account
24 and requested information from the main web page. The investigator received two e-mail
25 responses; the first was from support@regenesi2x2.com, and the second was from
26 regenesi2x2@gmail.com. The investigation has revealed that all electronic e-mail
27 communication between the business and current and former clients appears to be sent to
28 and received from either the regenesi2x2.com or gmail.com file extensions.

1 20. As the investigator navigated through the various website sub-pages, he was
2 initial able to capture two (2) embedded promotional videos, one (1) promotional audio
3 advertisement, one (1) recorded promotional conference call, and text and picture images
4 from several web pages. The audio, video, and web pages describe Regenesi2x2 as:

5 "The ultimate economic stimulus plan for those searching for economic
6 prosperity in these volatile financial times; and through our innovative two
7 (2) by two (2) recycler you can see results fast. Regenesi2x2 pays \$800 in
8 commissions every time a two by two matrix is filled with just six (6)
9 people. \$400 in royalty commissions are paid to the person who filled their
10 matrix; and a 100 percent matching bonus is paid to the sponsor. To begin
11 your business you open a commission center by purchasing the product
12 package for \$300. The product is the business development package."

13 This business development package allegedly includes:

14 "300 business opportunity seeker leads,"

15 "Your own Regenesi2x2 website including a lead capture splash page and the
16 company generated auto responder follow up system,"

17 "Access to your back office that will allow you to keep track of your down
18 line stats,"

19 "The document support center where you can download sample letters,
20 scripts, follow up letters and more,"

21 "The automated recruiting system; which is a turn key recruiting system that
22 will sponsor people for you."

23 21. According to Regenesi2x2's promoters and advertisements, an individual
24 joins the company by investing \$300 to purchase a commission center. A commission
25 center is a small pyramid structure with the investor at the top. Below the individual are
26 two (2) positions on the first level. Each of these two (2) first level slots has two (2)
27 additional positions on the second level, for a total of six (6) people beneath the original
28 commission center purchaser.

29 22. Positions ONE through SIX of the commission center can be filled actively
30 by the investor's personal referrals, or the positions can be filled passively through
31 Regenesi2x2's alleged automated recruiting system, where the company's employees find
32 the additional people to complete the matrix.

33 23. When the six positions are filled within a commission center, the investor is
34 supposed to receive \$400; and if the investor was already in someone else's down line
35 pyramid, then a \$400 matching bonus is paid up the line to the sponsoring investor.

36 24. After the investor's 2x2 matrix is completed, he/she is automatically

1 "recycled" and moved into the first available position in the pyramid's down line, for
2 example, the original investor would move to one of the two open slots under investor
3 THREE. The remaining open positions under investors THREE through SIX are filled by
4 personal referrals or prospective persons located from the automated recruiting system.
5 The process continues to repeat itself with "recycling" previous investors; however, each
6 level requires an ever increasing number of additional new investors to continue the
7 scheme's money intake in order to pay commissions and matching bonuses to previous
8 investors.

9 25. I contacted an Economist at the Federal Trade Commission (FTC), who
10 stated he was a subject matter expert on pyramid and Ponzi schemes. The expert
11 explained that pyramid, Ponzi, and similar types of schemes are predicated on the
12 participants obtaining their monetary benefits primarily from the recruitment of newer
13 participants, rather than from the sale of goods or services. Because of this, the
14 overwhelming majority of the participants cannot expect to make any money from their
15 participation. A small minority of participants, namely those who participate at the very
16 beginning, might make money. However, because of the nature of the pyramid scheme,
17 those who make any money must of necessity be only a small minority of all participants.

18 26. The FTC Economist further explained that growth of a pyramid style Ponzi
19 system does not change the fact that the large majority of participants at any point in time
20 will have lost money. The FTC Economist further explained that these scams typically
21 have one of several indicators or "markings," including (1) the promise of abnormally
22 high short term returns on investments; (2) all income is derived from within the
23 investment scheme; (3) the absence of any legitimate or reasonable business investment;
24 and (4), as described above, only a small minority of individuals can profit from the
25 operation of the business. When I described the details of Regenesi2x2 and forwarded
26 Internet links for Regenesi2x2's main website and related member testimonial videos and
27 spin off websites, the Economist indicated that Regenesi2x2 bore all of the
28 characteristics of a Ponzi operation.

1 27. The Economist performed two mathematical analyses on Regenesi2x2's
2 business model and in both instances he found after a brief period of perceived success
3 that 75 percent or more of those contributing to the scheme would not receive any return
4 on investment. More specifically, he stated the Regenesi2x2 program is inherently
5 deceptive, that although it is marketed to the public as a way to make money, the
6 overwhelming majority of participants will lose money. He further stated that no matter
7 how big the system grows; at least 75 percent of the participants will only pay money into
8 Regenesi2x2, and receive nothing in return. He said eventually, the system must
9 collapse.

10 **ELLEN LELAS & JEFFREY SNYDER**

11 28. On February 22, 2009, ELLEN ROSE LELAS, (hereinafter "Lelas")
12 appears to have filed or caused to be filed records and documents with various State of
13 Washington Departments and/or Divisions to incorporate Regenesi Marketing
14 Corporation in Washington. From February 2009 to the present, Lelas has been the
15 President and sole governing person of Regenesi Marketing Corporation. Lelas has
16 operated Regenesi Marketing Corporation from a mailing address of **218 Main Street, #**
17 **241, Kirkland, Washington.** This address is a known location for a UPS Store in
18 Kirkland, Washington, and is not a business location for Regenesi. Through surveillance
19 activity described elsewhere in this affidavit, US Secret Service Agents identified the
20 actual principal business location as **38579 SE River Street, Suite 5, Snoqualmie,**
21 **Washington.**

22 29. On June 17, 2009, and again on July 8, 2009, the Washington State
23 Employment Security Department reported Lelas received reported income from only one
24 source, the Snoqualmie Valley School District, with a principal work location of 33314
25 SE 42nd Place, Fall City, Washington. This address corresponds to the Fall City
26 Elementary School. Lelas has not received any unemployment compensation in 2009.

27 30. JEFFREY WILLIAM SNYDER, (hereinafter "Snyder") appears to have
28 conspired to file records and documents with various State of Washington Departments

1 and/or Divisions to help Lelas register Regenesi Marketing Corporation and Streamline
2 Media Incorporated. As described in this affidavit Snyder appears to be the driving force
3 behind Regenesi Marketing Corporation, has been observed receiving numerous mail
4 items and parcels on behalf of Regenesi2x2 from Lelas' UPS Store mail box, and has
5 been observed delivering those items to Regenesi's place of business in Snoqualmie,
6 Washington. Snyder has also been observed entering/leaving and remaining on site at the
7 Regenesi business.

8 31. A criminal history check for Snyder revealed he was previously arrested by
9 the Internal Revenue Service out of Las Vegas, Nevada for felony violations related to
10 Illegal Money Laundering from Securities Fraud and Wire Fraud. Currently, Snyder is
11 under the supervision of the US Probation Office, Seattle, Washington; however, he has
12 recently expressed his intent to move his family out of Washington State.

13 32. Based on vehicle registration information, witness statements, US Probation
14 information, and surveillance activity, Snyder is known to live in a home located at 7202
15 Cranberry Court Southeast, Snoqualmie, Washington. He primarily drives a leased **2007**
16 **Chevy Tahoe with Washington license plate 282 XYA**. This vehicle is registered to
17 James B. DeMay, doing business as Right Choice Marketing. Snyder is also known to
18 drive a leased 2007 Chrysler Town and County with Washington license plate 463TYM.
19 This vehicle is registered to James B. DeMay, doing business as Déjà Vu Marketing
20 Corporation. Snyder's wife, Kristen Snyder, has a power of attorney for James B. DeMay
21 and signed for DeMay on both lease agreements. James B. DeMay is allegedly a
22 principal promoter of the Regenesi2x2 business, has allegedly spoken on multiple
23 Regenesi2x2 conference calls, and has received multiple check payments from one (1) or
24 more Regenesi Marketing Corporation accounts.

25 33. On May 1, 2009, Snyder claimed in documentation submitted to the US
26 Probation Office that he is employed by Streamline Media, Inc., with mailing address 561
27 Keystone, # 315, Reno, Nevada. Snyder claimed he performs sales work and earns
28 \$7,000 per month for a 40 hour work week. In his April 2009 documentation, Snyder

1 attached an alleged two week earnings statement for the period March 30 to April 12,
2 2009 showing he worked 80 hours and made \$3,500. In his May 2009 documentation,
3 Snyder attached another alleged two week earnings statement for the period April 25 to
4 May 8, 2009, showing he worked 80 hours and made \$3,500, for a total of \$10,500 for the
5 year. Both earning statements listed Streamline Media Inc's address as **218 Main Street,**
6 **Suite 241, Kirkland, Washington.** This address matches the principal business mailing
7 address for Lelas' Regenesis Marketing Corporation; however, Snyder's name is not
8 associated with the Regenesis business. As detailed below, Streamline Media Inc has not
9 reported any profit in 2009 to the State of Washington, Department Revenue.
10 Additionally, on June 17, 2009, and again on July 8, 2009, the State of Washington,
11 Employment Security Department confirmed Snyder's only reported income was
12 \$4,400.00 in the fourth quarter of 2008, and \$1,547.50 in the first quarter of 2009. In
13 both instances, he was employed by DG Land Care Services in Bellevue, Washington. In
14 a letter to US Probation, Snyder claimed his wife, Kristen Snyder, is now also a
15 Streamline Media Inc employee, however, the State of Washington, Employment Security
16 Department has no record of Kristen Snyder ever earning any wages in Washington.

17 **REGENESIS2X2 BANK ACCOUNT INFORMATION**

18 34. During the course of this investigation, US Secret Service Agents identified
19 multiple bank accounts as those being utilized by Regenesis Marketing Corporation,
20 Streamline Media Inc, and Jeffrey W. Snyder at Bank of America, Sterling Savings Bank,
21 Wells Fargo Bank, US Bank, and JP Morgan Chase/Washington Mutual Bank to conduct
22 its/their financial transactions, including deposits made by or on behalf of participants for
23 the purposes of purchasing "commission centers," and withdrawals to pay participants
24 their commissions and matching bonuses. These accounts are under the control and
25 ownership of Ellen R. Lelas, President, Regenesis Marketing Corporation, **218 Main**
26 **Street, # 241, Kirkland, Washington;** Ellen R. Lelas, President, Streamline Media Inc,
27 **218 Main Street, # 241, Kirkland, Washington;** and Jeffrey W. Snyder, 227 Bellevue
28 Way Northeast, # 227, Bellevue, Washington. This investigation also showed that funds

1 contained one or more of these accounts were transferred between one or more of these
2 accounts. According to each of the banks, before a business account can be opened, the
3 customer must provide the bank with a copy of their Articles of Incorporation and related
4 documents. Each of the banks further revealed that Lelas caused the Secretary of State,
5 State of Washington, to issue a Certificate of Incorporation and filed an Article of
6 Incorporation for Regenesis Marketing Corporation, a profit corporation, UBI Number
7 602-903-100 on February 27, 2009. According to the Articles of Incorporation, Lelas
8 was listed as the initial director of the corporation with registered address of **218 Main**
9 **Street, Suite 241, Kirkland, Washington**, the address of the known location for a UPS
10 Store

11 35. Bank of America. Lelas provided Bank of America with a Washington
12 Department of Licensing, Master License Service, Master Application for Regenesis
13 Marketing Corporation. This document stated Regenesis Marketing Corporation was
14 opened for business on August 29, 2008, had a principal business mailing address of 218
15 Main Street, # 241, Kirkland, Washington.

16 a. On March 16, 2009, Bank of America account number xxxx5318,
17 held in the name Regenesis Marketing Corporation, was opened by Lelas, as a combined
18 business checking and savings. This account was opened with a \$100 deposit. Between
19 March 16, 2009 and June 30, 2009, Lelas' account received hundreds of deposited items
20 totaling more than \$1,500,000.00 in personal checks, business checks, and/or money
21 orders made out to Regenesis, Regenesis2x2, or Regenesis Corporate Office (or similar
22 name).

23 b. The deposited items consisted almost exclusively of individual \$325
24 amounts or multiples thereof and were received from persons throughout the United
25 States. During this same period Regenesis used what appears to be computer check
26 writing software and obtained bank issued cashier's checks to issue hundreds of checks
27 from this account totaling more than \$1,400,000 to apparent investors/customers, almost
28 exclusively in \$400 amounts or multiples thereof. The investigation revealed two notable

1 deposits into this account. On June 19, 2009, Lelas deposited a \$25,000 business check
2 originating from Wells Fargo, Regenesis Marketing Corporation. On June 30, 2009,
3 Lelas deposited a \$20,000 bank cashier's check originating from JP Morgan Chase
4 (Washington Mutual), Regenesis Marketing Corporation. These two checks demonstrate
5 the movement of funds between bank accounts known to be directly involved in the
6 alleged Regenesis Marketing Corporation Ponzi scheme.

7 36. Sterling Savings Bank. According to Sterling Savings Bank, Lelas
8 provided identical documents to those described with Bank of America above for the
9 purpose of opening financial account(s). A photocopy of Lelas' drivers license held on
10 file with Sterling Savings Bank, matches her legitimate Washington State issued drivers
11 license. Sterling Savings Bank also provided a New Business Account Authorization
12 document stating on April 17, 2009, a business account was opened for Regenesis
13 Marketing Corporation, and listed the primary contact as Ellen Lelas, listed the principal
14 business location as **35879 River Street, Suite 5, Snoqualmie, Washington**, and listed
15 the mailing address as **218 Main Street, Suite 241, Kirkland, Washington**. This
16 document stated the nature of this business was, "Internet Marketing Sales," and listed the
17 typical customer as, "A person who wants self help."

18 a. Sterling Savings Bank account number xxxxxxxx8209, held in the
19 name Regenesis Marketing Corporation, was opened by Lelas on April 17, 2009, as a
20 business checking account. This account was opened with a \$325 money order. Between
21 approximately April 17 and April 30, 2009, this received approximately four hundred
22 (400) deposited items totaling more than \$140,000 in personal checks, business checks,
23 and/or money orders made out to Regenesis, Regenesis2x2, or Regenesis Corporate
24 Office (or similar name). The deposited items consisted almost exclusively of individual
25 \$325 amounts or multiples thereof and were received from persons throughout the United
26 States. Lelas wrote only three (3) checks against this account totaling \$14,000. On or
27 about May 15, 2009, Sterling Savings Bank elected to close Lelas' Regenesis Marketing
28 Corporation business account and issued her a bank check for the balance in the amount

1 of \$126,862.94. On May 18, 2009, Lelas personally retrieved the check, and deposited it
2 into Regenesis Marketing Corporation's JP Morgan Chase - Washington Mutual account,
3 number xxx-xxx632-3.

4 37. Wells Fargo Bank. According to Wells Fargo Bank, on or about May 29,
5 2009, Lelas presented the bank with identical documents to those described with Bank of
6 America and Sterling Savings Bank for the purpose of opening financial accounts, again
7 listing **218 Main Street, Suite 241, Kirkland, Washington**, as the business address.

8 a. Wells Fargo account number xxx-xxx4681, held in the name
9 Regenesis Marketing Corporation, was opened by Lelas on May 4, 2009, as an Analyzed
10 Business Service Package. This account was opened with a \$225 deposit. According to
11 the bank statements ending May 31, 2009 and June 30, 2009, the approximately
12 \$310,187.00 was deposited and \$154,900 was debited from bank during this time period.

13 b. Wells Fargo account number xxx-xxx4251, held in the name
14 Regenesis Marketing Corporation, was opened by Lelas on May 29, 2009, as an Analyzed
15 Business Service Package. This account was opened with \$100 transferred from Lelas'
16 existing Regenesis Marketing Corporation, Wells Fargo Bank, account xxx-xxx4681.
17 According to the June 2009 statement, \$199,315 was deposited into this account.
18 According to the same June 2009 statement, the only debits were a small return item
19 charge and a nominal client service charge.

20 c. Wells Fargo account number xxxxxx3651, held in the name
21 Regenesis Marketing Corporation, was opened by Lelas on May 29, 2009, as a Business
22 High Yield Savings. This account was opened with \$25,000 transferred from Lelas'
23 existing Regenesis Marketing Corp, Wells Fargo Bank, account xxx-xxx4681. According
24 to the latest bank statement ending June 30, 2009, there were no additional outside
25 deposits and there have been no debits from the account.

26 38. US Bank. According to US Bank, on or about May 8, 2009, Lelas
27 presented the bank with identical documents to those described above for the purpose of
28 opening financial accounts, again listing **218 Main Street, Suite 241, Kirkland,**

1 **Washington**, as the business address.

2 a. US Bank account number x-xxx-xxxx-9213, held in the name
3 Regenesis Marketing Corporation, was opened by Lelas on May 8, 2009, as a small
4 business checking. This account was opened with \$13,000 consisting in part with
5 investment purchasing commission centers buying into Regenesis' scheme. Between May
6 8, 2009 and May 12, 2009, Lelas' account received numerous deposited items totaling
7 \$19,075. The majority of these items were \$325 amounts or multiples thereof, as
8 investments purchasing commission centers with Regenesis Marketing Corporation. On
9 May 12, 2009, and after being open only four (4) days, Lelas closed the account by with
10 drawing the balance of \$19,075, and used it as an opening deposit to open US Bank
11 account number x-xxx-xxxx-9437.

12 b. US Bank account number x-xxx-xxxx-9437, held in the name
13 Regenesis Marketing Corporation, was opened by Lelas on May 11, 2009, as a five star
14 silver business checking. This account was opened with \$9,750 consisting almost
15 exclusively of individual \$325 amounts or multiples thereof from persons throughout the
16 United States. On May 12, 2009, Lelas deposited \$19,075 recently withdrawn from US
17 Bank account number x-xxx-xxxx-9213 which was closed earlier the same day. Between
18 May 11, 2009 and June 30, 2009, Lelas' account received numerous deposits totaling
19 more than \$50,000, the vast majority of which were individual \$325 amounts or multiples
20 thereof, as investments purchasing commission centers with Regenesis Marketing
21 Corporation. Lelas did not make any significant withdrawals during this period.

22 c. US Bank account number x-xxx-xxxx-9445, held in the name
23 Regenesis Marketing Corporation, was opened by Lelas on May 11, 2009, as a five star
24 silver business checking. This account was opened with a combined deposit of
25 approximately \$10,900 consisting almost exclusively of individual \$325 amounts or
26 multiples thereof from persons throughout the United States. Between May 11, 2009 and
27 June 30, 2009, Lelas' account received numerous deposits totaling more than \$121,000,
28 the vast majority of which were individual \$325 amounts or multiples thereof, as

1 investments purchasing commission centers with Regenesis Marketing Corporation.
2 During this same period, Lelas made only a comparative small number of withdrawals,
3 the majority of which were \$400 or multiples thereof, which are consistent with
4 Regenesis' promised commission payments.

5 39. JP Morgan Chase/Washington Mutual Bank. According to JP Morgan
6 Chase - Washington Mutual, Lelas had presented the bank with identical documents to
7 those described above for the purpose of opening financial accounts, again listing **218**
8 **Main Street, Suite 241, Kirkland, Washington** as the business address.

9 a. JP Morgan Chase account number xxx-xxx510-0, held in the name
10 Jeffrey W. Snyder, was open and active in 2008, as a personal checking account.
11 According to JP Morgan Chase/Washington Mutual, Snyder lists his contact address as
12 227 Bellevue Way Northeast, Suite 282, Bellevue, Washington. I know from this
13 investigation that this address is an UPS Store post office box in downtown Bellevue.
14 The address is also known to be associated with an inactive business, Déjà Vu Marketing
15 Corporation, previously owned and registered to Snyder. This investigation revealed
16 Snyder began receiving checks from Streamline Media Inc on or before March 10, 2009.
17 Snyder deposited the Streamline checks into his personal checking account. Snyder
18 continued to receive deposits from Streamline Media Inc through at least the end of June
19 2009. Beginning on or before March 10, 2009, he was routinely receiving check
20 payments from Streamline Media Inc, which he deposited into his personal checking
21 account. Additionally, according to JP Morgan Chase - Washington Mutual Bank, during
22 2009 Snyder has cashed approximately \$17,477 in money orders against the available funds
23 in his checking account. The bank alleges that the vast majority if not all of these money
24 orders were made payable to Jeff Snyder or Regenesis.

25 b. JP Morgan Chase account number xxx-xxx641-4, held in the name
26 Streamline Media Inc, was opened by Lelas in 2008, as a business checking. According
27 to the bank, beginning on or before February 2, 2009, Lelas' account began receiving a
28 large quantity of individual \$325 deposits or multiples thereof. At the same time, Lelas

1 was purchasing a large number of blank \$400 money orders, consistent with the fraud
2 scheme discussed above. Between February 2, 2009 and June 30, 2009, Lelas' account
3 received a substantial number of deposited items totaling more than \$169,000, the vast
4 majority being personal checks, business checks, and/or money orders made out to
5 Regenesiis, Regenesiis2x2, or Regenesiis Corporate Office (or similar name). The
6 deposited items consisted almost exclusively of individual \$325 amounts or multiples
7 thereof and were received from persons throughout the United States. During this same
8 period Streamline Media Inc. used bank issued money orders, cashier's checks, or other
9 checks to issue numerous checks, debit charges, and other disbursements from this
10 account totaling approximately \$170,000 mostly to apparent investors/customers, almost
11 exclusively in \$400 amounts or multiples thereof.

12 INVESTIGATION SURVEILLANCE

13 40. On June 11 and July 6, 2009, agents from the Seattle Field Office contacted
14 an employee of the UPS Store, located at 218 Main Street, Kirkland, Washington. The
15 employee verified that Lelas currently rents postal box number 241. The employee
16 confirmed box 241 has and continues to receive a very heavy daily delivery of mail
17 address to Regenesiis Marketing Corporation and/or Regenesiis2x2 (or similar name).

18 41. On June 12, 2009, agents from the Seattle Field Office observed Lelas and a
19 second person, believe to be Lelas' daughter, take delivery of approximately 80 to 100
20 envelopes addressed to Regenesiis Marketing Corporation and/or Regenesiis2x2 (or similar
21 name). They observed Lelas and her daughter leave the UPS Store (**218 Main Street,**
22 **Kirkland, Washington**), proceed to a Well Fargo Bank, and drive to Snyder's house
23 located at 7202 Cranberry Court SE, Snoqualmie, Washington.

24 42. On July 6, 2009, agents from the Seattle Field Office observed Snyder and
25 an unidentified passenger arrive outside the UPS Store in Kirkland. Snyder was driving a
26 **Gray 2007 Chevy Tahoe, Washington**, license plate 282 XYA. Snyder was observed
27 entering the UPS Store, receiving the mail items described above and then returning to
28 the Chevy Tahoe. While he walked back to the vehicle, I observed Snyder carrying

1 numerous letter size business envelopes, several USPS Priority Mail cardboard envelopes,
2 and what appeared to be one large white envelope with green diamonds around the edges.

3 43. On the same day Agents observed Snyder and the unidentified passenger
4 park on the street directly in front of a small multi unit commercial office building located
5 at **38579 Southeast River Street, Snoqualmie, Washington**. Snyder was observed
6 exiting the vehicle carrying an unknown quantity of paperwork. Snyder bypassed the
7 main entrance and proceeded to the West side of the building and entered the only
8 external door on that side of the building. A short time later a juvenile male exited the
9 Chevy Tahoe struggling with a large arm full of opened business and USPS Priority Mail
10 envelopes. The juvenile mail carried the items into the same office door entered by
11 Snyder, then immediately came back out side and discarded the materials into an alley
12 dumpster adjacent to the office building and the Snoqualmie Post Office along Olmstead
13 Avenue Southeast, Snoqualmie, Washington.

14 44. While continuing surveillance on the business office, Agents observed
15 additional persons entering and/or leaving the premises including, Ellen Lelas, a white
16 female believe to be Teresa Zepp, and another white female believed to be Carolyn Easter
17 (Snyder's mother-in-law). Lelas was observed leaving the business office and departed
18 the parking. Teresa Zepp was observed removing additional trash from the office and
19 depositing it in the same alley dumpster as described above. She was later observed
20 leaving the business office and departed the parking lot. Carolyn Easter was observed
21 leaving the business office and departed the parking lot in a Beige Lexus ES3 with
22 Washington license plate 399 WPP (registered to Snyder).

23 45. After maintaining constant observation of the alley dumpster, Agents later
24 obtained numerous business envelopes and USPS cardboard letter envelopes addressed to
25 Regenesi Marketing Corporation and Regenesi2x2 (or similar names). Agents also
26 obtained numerous discarded commission center applications containing the applicants'
27 contact information and personal identifying information, multiple Better Business
28 Bureau complaints directed at Regenesi2x2, copies of participant checks purchasing

1 | Regenesi2x2 commission centers, several letters and/or faxes from participants
2 | complaining the company had failed to help them complete their matrices as promised,
3 | and a detailed letter from the law offices of Ross and Matthews, P.C. on behalf of their
4 | client which claimed "J.W. Snider at Regenesi2x2's" written materials and brochures
5 | were false, misleading, and deceptive.

6 | 46. On July 10, 2009, Secret Service Agents from the Seattle Field Office,
7 | returned to the small multi unit commercial office building located at **38579 Southeast**
8 | **River Street, Snoqualmie, Washington**. Outside the office building, Agents observed
9 | the same **Gray 2007 Chevy Tahoe, Washington**, license plate 282 XYA, previously
10 | associated with Snyder. Agents accessed the main entrance lobby of the office building
11 | and observed a label indicating Streamline Media occupied Suite 5. Agents proceeded
12 | further into the building and observed the name "Streamline Media" outside the interior
13 | entrance door to Suite 5.

14 | 47. Based on the information received during the course of the investigation
15 | and throughout the surveillance, Streamline Media appears to be a shell company used to
16 | rent/lease the office suite at **38579 Southeast River Street, Snoqualmie, Washington**,
17 | for the real purposes of masking the Regenesi Marketing Corporation business
18 | operation.

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1 **CONCLUSION**

2 48. Based on the above information, I have probable cause to believe that
3 evidence, fruits, and instrumentalities of the crimes of wire fraud and conspiracy to
4 commit wire fraud, in violation of Title 18, United States Code, Section 1343 and 1349,
5 are contained in three locations, located at 38579 Southeast River Street, Suite 5,
6 Snoqualmie, Washington, Postal Box # 241, The UPS Store, 218 Main Street, Kirkland,
7 Washington, and a 2007 Chevrolet Tahoe, Sport Utility Vehicle, 2007, Washington
8 License Plate - 282 XYA, Vehicle Identification Number: 1GNFK13097J381560, as
9 more fully described in Attachment A to this Affidavit. I therefore request that the court
10 issue a warrant authorizing a search of the above locations and vehicle for the items more
11 fully described in Attachment B hereto, incorporated herein by reference, and the seizure
12 of any such items found therein.

13
14 
15 MATTHEW W. FLICK, Affiant
16 Special Agent
17 United States Secret Service
18

19 Subscribed and sworn to before me this 17 day of July, 2009.

20 
21 BRIAN TSUCHIDA
22 United States Magistrate Judge
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