

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA

07-60156 CR-ZLOCH

CASE NO.

MAURITATE JENSEN
CLERK

- 15 U.S.C. § 78j(b)
- 15 U.S.C. § 78ff(a)
- 17 C.F.R. § 240.10b-5
- 18 U.S.C. § 2
- 18 U.S.C. § 371
- 26 U.S.C. § 7203

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
)
 ELI GOLDSHOR,)
)
 Defendant.)
 _____)

FILED BY
 2007 JUN 21 PM 3:04
 CLERK OF COURT
 U.S. DISTRICT COURT
 SOUTHERN DISTRICT OF FLORIDA

INDICTMENT

The Grand Jury charges:

COUNT 1
(Conspiracy: 18 U.S.C. § 371)

At various times relevant to this Indictment:

General Allegations

1. Defendant ELI GOLDSHOR was a resident of Boca Raton, Florida. He was a self-employed limousine driver. He nominally served as president of two subsidiaries of Harvard Learning Centers, Inc. ("HVLN"): Palm Beach Classic Cigar

Corporation and Eli Enterprises, Inc. However, he was not involved in any management functions with either company.

2. HVLN was a Florida corporation with its principal place of business in Boca Raton, Florida, whose securities traded publicly on the “pink sheets.” The company was previously known as American Way Business Development, American Way Home Based Businesses, and DCGR International Holdings, Inc. HVLN has claimed to be involved in several different business ventures. At various times, HVLN claimed to have purchased a cigar company, a kidney dialysis center and the rights to an adult sex game. The company also claimed to have signed letters of intent to purchase a bill collecting agency and a windmill manufacturer. For a time, HVLN offered college admissions examination preparation courses.

3. Stocks traded on the “pink sheets” are generally thinly traded securities that are typically unable to obtain a listing on a national exchange, such as the New York Stock Exchange, NASDAQ or the American Stock Exchange.

4. An unindicted coconspirator (“the Unindicted Coconspirator”) of defendant ELI GOLDSHOR was an officer and director of HVLN. Because the Unindicted Coconspirator was an officer and director of HVLN, any stock issued either in the name of, or for the benefit of, the Unindicted Coconspirator should have featured a restricted legend providing notice to potential purchasers that the stock cannot be freely traded.

Conspiracy to Defraud the United States

5. From in or about March 2005, and continuing thereafter until in or about March 2007, in the Southern District of Florida and elsewhere, the defendant ELI GOLDSHOR did knowingly and willfully combine, conspire, confederate, and agree with the Unindicted Coconspirator and with individuals known and unknown to the Grand Jury to commit certain offenses against the United States, namely, to knowingly, willfully, and unlawfully, by the use of means and instrumentalities of interstate commerce, and the mails, directly and indirectly, use and employ manipulative and deceptive devices and contrivances, in connection with the purchase and sale of securities, that is, shares of HVLN stock, and did (a) employ a device, scheme and artifice to defraud; (b) make untrue statements of material facts and omit to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engage in acts, practices and courses of business which would and did operate as a fraud and deceit upon others, in connection with the purchase and sale of said securities, in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a), and Title 17, Code of Federal Regulations, Section 240.10b-5.

Object of the Conspiracy

6. The object of the conspiracy was for the defendant ELI GOLDSHOR and the Unindicted Coconspirator to unjustly enrich themselves at the expense of the shareholders of HVLN. To accomplish the object of the conspiracy, the defendant ELI

GOLDSHOR and the Unindicted Coconspirator used material misrepresentations and omissions of material facts to cause HVLN to issue stock to defendant ELI GOLDSHOR for which the Unindicted Coconspirator was the beneficial owner. After defendant ELI GOLDSHOR sold the HVLN stock into the market, he retained some of the sales proceeds in return for acting as a nominee and used some of the money for the benefit of the Unindicted Coconspirator.

Manner and Means of the Conspiracy

The manner by which the defendants sought to accomplish the object of the conspiracy included, among others, the following:

7. The Unindicted Coconspirator caused HVLN to issue stock to defendant ELI GOLDSHOR by falsely claiming that the stock was being issued as payment for promissory notes from HVLN to defendant ELI GOLDSHOR. Defendant ELI GOLDSHOR signed conversion notices in which he agreed to receive HVLN stock as payment for the promissory notes. However, both defendant ELI GOLDSHOR and the Unindicted Coconspirator knew that the promissory notes were fraudulent in that HVLN did not owe the sums reflected on the promissory notes to defendant ELI GOLDSHOR.

8. The Unindicted Coconspirator also caused HVLN to issue stock to defendant ELI GOLDSHOR purportedly as payment for promissory notes to other individuals. The other individuals, however, were not aware that HVLN stock was being issued to defendant ELI GOLDSHOR purportedly as payment for their own promissory

notes.

9. Defendant ELI GOLDSHOR acted as a nominee for the Unindicted Coconspirator. Defendant ELI GOLDSHOR and the Unindicted Coconspirator agreed that defendant ELI GOLDSHOR would receive approximately ten percent of the sales proceeds from the sale of the HVLN stock issued to defendant ELI GOLDSHOR while the Unindicted Coconspirator would control the proceeds from the sale of the remaining stock.

10. Despite the fact that defendant ELI GOLDSHOR acted as a nominee for the Unindicted Coconspirator, the Unindicted Coconspirator caused HVLN to issue stock certificates to defendant ELI GOLDSHOR without restricted legends.

11. From March 2005 through March 2007, the Unindicted Coconspirator caused HVLN to issue to defendant ELI GOLDSHOR hundreds of millions of shares of stock.

12. Defendant ELI GOLDSHOR transferred some of the HVLN to other individuals including 75 million shares to the future wife of the Unindicted Coconspirator.

13. Defendant ELI GOLDSHOR sold the HVLN stock for hundreds of thousands of dollars. Defendant ELI GOLDSHOR used the proceeds as follows:

a) he transferred funds to his personal bank account and paid his personal expenses;

- b) he paid the personal expenses of the Unindicted Coconspirator;
- c) he paid funds to the ex-wife of the Unindicted Coconspirator;
- d) he transferred \$150,000 to an account in the name of the teenage son of the Unindicted Coconspirator; and
- e) he transferred funds to Eli Enterprises, Inc. some of which the company booked as loans from defendant ELI GOLDSHOR and the Unindicted Coconspirator.

14. After transferring some of the proceeds of the sale of the HVLN stock to Eli Enterprises, Inc., defendant ELI GOLDSHOR wrote checks on Eli Enterprises, Inc.'s bank account payable to himself, the Unindicted Coconspirator and to cash. The defendant ELI GOLDSHOR also wrote checks on Eli Enterprises, Inc.'s bank account to pay the personal expenses of himself and the Unindicted Coconspirator.

15. The defendant, the Unindicted Coconspirator and other individuals known and unknown to the Grand Jury would and did perform acts and make statements to hide and conceal and cause to be hidden and concealed the purpose of the conspiracy and the acts committed in furtherance thereof.

Overt Acts

16. In furtherance of the conspiracy, and to effect the objects thereof, one or more of the co-conspirators committed and caused to be committed overt acts in the Southern District of Florida, and elsewhere, including, but not limited to, the following:

17. On or about the following dates, defendant ELI GOLDSHOR signed promissory note conversion notices to cause the issuance of HVLN stock:

Overt Act No.	Date	Shares To Be Issued
1	May 23, 2005	300,000
2	September 1, 2005	600,000
3	October 3, 2005	1,800,000
4	November 3, 2005	12,000,000
5	January 6, 2006	25,000,000
6	February 10, 2006	40,000,000

18. On or about the following dates, instructions were sent from HVLN to its securities transfer agent in Texas to issue the following shares to defendant ELI GOLDSHOR:

Overt Act No.	Date	No. Shares Issued To Defendant
7	March 2, 2005	50,000
8	March 16, 2005	90,000
9	March 23, 2005	100,000
10	May 24, 2005	225,000
11	September 13, 2005	600,000
12	September 13, 2005	200,000
13	October 11, 2005	1,800,000
14	November 7, 2005	2,000,000

15	January 10, 2006	25,000,000
16	February 14, 2006	40,000,000
17	March 7, 2006	40,000,000
18	April 11, 2006	90,000,000
19	April 25, 2006	125,000,000
20	May 15, 2006	100,000,000
21	May 16, 2006	125,000,000
22	May 16, 2006	40,000,000
23	May 31, 2006	300,000,000
24	September 13, 2006	1,000,000
25	November 21, 2006	1,000,000
26	February 16, 2007	100,000

19. On or about the following dates, HVLN stock was sold from defendant ELI GOLDSHOR's brokerage accounts:

Overt Act No.	Date	Shares Sold
27	June 7, 2005	5,000
28	June 22, 2005	5,000
29	July 1, 2005	5,000
30	August 29, 2005	11,000
31	September 22, 2005	10,000
32	September 26, 2005	10,000
33	December 14, 2005	50,000

34	December 21, 2005	300,000
35	December 27, 2005	195,000
36	January 20, 2006	100,000
37	January 27, 2006	200,000
38	March 8, 2006	1,000,000
39	April 6, 2006	2,000,000
40	April 21, 2006	15,000,000
41	May 4, 2006	10,000,000
42	May 31, 2006	10,000,000
43	June 2, 2006	10,000,000
44	June 7, 2006	10,000,000

20. On or about the following dates, HVLN stock was transferred from the brokerage accounts of defendant ELI GOLDSHOR as follows:

Overt Act No.	Date	HVLN Shares	Recipient
45	February 7, 2006	5,000,000	Future wife of the Unindicted Coconspirator
46	April 24, 2006	20,000,000	Future wife of the Unindicted Coconspirator
47	June 6, 2006	50,000,000	Future wife of the Unindicted Coconspirator

21. On or about the following dates, proceeds from the sale of HVLN stock were paid from the brokerage accounts of defendant ELI GOLDSHOR as follows:

Overt Act No.	Date	Payment	Recipient
48	December 18, 2004	\$1,500	Ex-wife of the Unindicted Coconspirator
49	February 13, 2005	\$3,000	Ex-wife of the Unindicted Coconspirator
50	October 12, 2006	\$100,000	Son of the Unindicted Coconspirator
51	October 20, 2006	\$50,000	Son of the Unindicted Coconspirator

All in violation of Title 18, United States Code, Section 371.

COUNTS 2 THROUGH 11

(Securities Fraud: 15 U.S.C. §§ 78j(b) and 78ff(a);

17 C.F.R. § 240.10b-5; and 18 U.S.C. § 2)

1. The allegations set forth in paragraphs 1 through 4, 7 and 9 through 14 of Count 1 of this Indictment are realleged and incorporated by reference herein.
2. On or about the following dates, the defendant, ELI GOLDSHOR, knowingly, willfully, and unlawfully, by the use of means and instrumentalities of interstate commerce, and the mails, directly and indirectly, used and employed manipulative and deceptive devices and contrivances, in connection with the purchase and sale of securities, that is, shares of HVLN stock, and did (a) employ a device, scheme and

artifice to defraud; (b) make untrue statements of material facts and omit to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engage in acts, practices and courses of business which would and did operate as a fraud and deceit upon others, in connection with the purchase and sale of said securities.

Count	Sales Date	Shares Sold
2	June 7, 2005	5,000
3	June 22, 2005	5,000
4	July 1, 2005	5,000
5	September 26, 2005	10,000
6	December 14, 2005	50,000
7	December 21, 2005	300,000
8	December 27, 2005	195,000
9	January 20, 2006	100,000
10	January 27, 2006	200,000
11	March 8, 2006	1,000,000

All in violation of Title 15, United States Code, Sections 78j(b) and 78ff(a); Title 17, Code of Federal Regulations, Section 240.10b-5; and Title 18 United States Code, Section 2.

COUNT 12

(Willful Failure to File a Tax Return: 26 U.S.C. §7203)

During the calendar year 2005, defendant ELI GOLDSHOR, who was a resident of Boca Raton, Florida, had and received gross income in excess of \$8,200; that by reason of such gross income he was required by law, following the close of the calendar year 2005, and on or before April 17, 2006, to make an income tax return to the person assigned to receive returns at the local office of the Internal Revenue Service at Plantation, Florida, in the Southern District of Florida, or to the Director, Internal Revenue Service Center, Atlanta, Georgia, or other proper officer of the United States, stating specifically the items of his gross income and any deductions and credits to which he was entitled; that well-knowing and believing all of the foregoing, he did willfully fail to make an income tax return to said person assigned to receive returns at the local office of the Internal Revenue Service, to said Director of the Internal Revenue Service Center, or to any other proper officer of the United States.

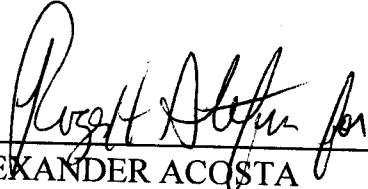
All in violation of Title 26, United States Code, Section 7203.

COUNT 13
(Willful Failure to File a Tax Return: 26 U.S.C. §7203)

During the calendar year 2006, defendant ELI GOLDSHOR, who was a resident of Boca Raton, Florida, had and received gross income in excess of \$8,450; that by reason of such gross income he was required by law, following the close of the calendar year 2006, and on or before April 17, 2007, to make an income tax return to the person assigned to receive returns at the local office of the Internal Revenue Service at Plantation, Florida, in the Southern District of Florida, or to the Director, Internal Revenue Service Center, Atlanta, Georgia, or other proper officer of the United States, stating specifically the items of his gross income and any deductions and credits to which he was entitled; that well-knowing and believing all of the foregoing, he did willfully fail to make an income tax return to said person assigned to receive returns at the local office of the Internal Revenue Service, to said Director of the Internal Revenue Service Center, or to any other proper officer of the United States.

All in violation of Title 26, United States Code, Section 7203.

A TRUE BILL



R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY



KENNETH C. VERT
TRIAL ATTORNEY
DEPARTMENT OF JUSTICE



JEFFREY A. MCLELLAN
TRIAL ATTORNEY
DEPARTMENT OF JUSTICE

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

ELI GOLDSHOR

Defendant.

_____ /

Superseding Case Information:

Court Division: (Select One)

_____ Miami _____ Key West
X FTL _____ WPB _____ FTP

New Defendant(s) Yes _____ No _____
Number of New Defendants _____
Total number of counts _____

_____ I do hereby certify that:

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No
List language and/or dialect _____

4. This case will take 4 days for the parties to try.

5. Please check appropriate category and type of offense listed below:
(Check only one) (Check only one)

I	0 to 5 days	<u>X</u>	Petty	_____
II	6 to 10 days	_____	Minor	_____
III	11 to 20 days	_____	Misdem.	_____
IV	21 to 60 days	_____	Felony	<u>X</u>
V	61 days and over	_____		

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes:
Judge: _____ Case No. _____
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) _____

If yes:
Magistrate Case No. _____
Related Miscellaneous numbers: _____
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) _____

- Does this case originate from a matter pending in the U.S. Attorney's Office prior to April 1, 2003? _____ Yes X No
- Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999? _____ Yes X No
If yes, was it pending in the Central Region? _____ Yes _____ No
- Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? _____ Yes X No
- Does this case originate from a matter pending in the Narcotics Section (Miami) prior to May 18, 2003? _____ Yes X No

Kenneth Vert

KENNETH VERT
DOJ TRIAL ATTORNEY
Florida Bar No.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: Eli Goldshor

Case No: _____

Count #: 1

Conspiracy to Commit Securities Fraud

18 U.S.C. § 371

*** Max. Penalty:**

Five (5) years' imprisonment

Count #: 2-11

Securities Fraud

15 U.S.C. § 78j(b) and 78ff(a); C.F.R. 240.10b-5 and 18 U.S.C. § 2

*** Max. Penalty:**

Twenty (20) years' imprisonment

Count #: 12-13

Willful Failure to File a Tax Return

26 U.S.C. § 7203

***Max. Penalty:** One (1) year imprisonment

Count #:

***Max. Penalty:**

*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.