



Defendants violated federal law, including Title 18, Sections 656, 1341, 1343, 1344, 1349 and 371 which respectively criminalize theft, wire fraud, mail fraud, bank fraud and conspiracy. Your affiant notes that on April 20, 2010, United States District Judge Daniel L. Hovland issued a Restraining Order requiring ELIZABETH KOLLING and others to preserve certain assets belonging to ELIZABETH KOLLING. The restraining order is based upon facts included in an affidavit of FBI SA Christopher Tremblay. Your affiant has reviewed facts alleged in the Tremblay affidavit and facts alleged in the Information and plea agreements filed with this affidavit, and incorporates those additional facts by reference herein.

5. Based upon conversations between law enforcement agents and ELIZABETH KOLLING, and information supplied to law enforcement agents by banking personnel, I am aware that ELIZABETH KOLLING was employed as a Trust Officer at the Bank of the West, Dickinson, North Dakota, branch and its predecessor, Community First Bank, from 9/30/1987 until her retirement on 07/01/2006. After retiring, ELIZABETH KOLLING worked as a flex-time employee with such bank until 07/01/2008. Prior to working at Community First Bank, ELIZABETH KOLLING worked at First National Bank in Dickinson, ND, from 12/15/1975 to 9/30/1987. ELIZABETH KOLLING was a trusted employee who handled a number of trust accounts for her employer. Among the trust accounts that KOLLING was responsible for were accounts belonging to Mildred Polensky, Betty Reichert, Lorraine Habiger and Edward Schokowsky.

In June 2008, a relative of Polensky contacted the Bank of the West to report problems with Polensky's trust account. ELIZABETH KOLLING had been the trust officer for Polensky's account since 1994. Bank of the West conducted a review of the account and found that there were several large withdrawals from Polensky's account which appeared to be gifts. These withdrawals were made using an electronically-triggered withdrawal known as electronic wealth management checks. These electronic wealth management checks were

requested by ELIZABETH KOLLING. The electronic wealth management checks in question did not have an address listed for the "payee" of the checks. The Fargo office of the bank then created a check for each electronic wealth management check request. These electronic wealth management checks were made payable to a financial institution. Since no address was listed for the payee, the checks as per bank policy were sent to the trust officer who made the request. The checks in question were thus given to ELIZABETH KOLLING. From 2002 to 2004, KOLLING had a number of these checks diverted to her sister, AL, who had personal accounts at the financial institutions listed on the checks.

6. In November of 2004, ELIZABETH KOLLING was stopped from using this method to withdraw funds from Polensky's trust account. The transaction was denied by the Bank of the West. The listed reason for the denial of the withdrawal was funds "Not used for purpose intended". Starting in March of 2005, ELIZABETH KOLLING began to withdraw money from Polensky's trust account by requesting electronic trust management checks made payable directly to Polensky. ELIZABETH KOLLING then endorsed the check by forging Polensky's name on the checks without Polensky's permission. KOLLING then had the checks converted into cashier checks payable to financial institutions. These cashier checks were then endorsed by ELIZABETH KOLLING's sister AL and deposited into AL's accounts at these institutions.

7. A review of Polensky's trust account by banking and law enforcement personnel found that ELIZABETH KOLLING had successfully withdrawn more than \$585,000 fraudulently from October 2002 to April 2007. ELIZABETH KOLLING, during an interview with law enforcement personnel on 04/20/2010, admitted to the scheme to fraudulently withdraw money from Polensky's account and to funneling the money to her sister, AL. ELIZABETH KOLLING also admitted to forging Polensky's signature of the checks with Polensky's name on them.

8. A review of Betty Reichert's trust account by banking and law enforcement

personnel revealed that from 6/22/2001 to 10/9/2008, a total of \$101,169.20 of checks were written from Reichert's account and deposited into accounts controlled by AL. Another \$12,825.42 worth of checks were written on the Reichert's account and deposited into accounts controlled by ML. ML is the son of AL. WALTER KOLLING, ELIZABETH KOLLING's husband, deposited \$11,005.79 worth of checks written from Reichert's trust account into an account controlled by him. ELIZABETH KOLLING herself deposited checks totaling \$6,518.93 from Reichert's account into an account controlled by her.

9. According to information supplied by Bank of the West, Lorraine Habiger had a trust account in which ELIZABETH KOLLING served as the trust officer. In November 2004, a \$15,000 check from HABIGER's trust account was written to and deposited into ML's account. ELIZABETH KOLLING admitted during her 04/20/2010 interview that this transfer was fraudulent.

10. According to information supplied by Bank of the West, ELIZABETH KOLLING also served as the trust officer for Edward Schokowsky's trust account. On 11/29/2004, a check was written from Schokowsky's trust account and deposited into Reichert's trust account. A check was then written from Reichert's account payable to AL.

11. On 10/19/2008, Betty Reichert died. Reichert at the time was a patient at St. Luke's Nursing Home in Dickinson. Reichert had been a patient of a number of homes over the last years of her life. Reichert had a trust account established back in the early 1970's at the bank where ELIZABETH KOLLING worked. Among the items in Reichert's trust were mineral rights for four locations located in Stark, Dunn, Golden Valley and Mountrail Counties. Reichert at the time of her death was receiving public assistance from Stark County Social Services, the money having been depleted from her trust account in May of 2005.

12. Subsequent to Reichert's death, ELIZABETH KOLLING and WALTER KOLLING had transfer deeds for these mineral rights filed at the county clerks for these Stark, Dunn, Golden Valley and Mountrail Counties. These deeds gave the Reichert's mineral

rights to WALTER KOLLING and ELIZABETH KOLLING. A review of the Golden Valley deed found that on 11/17/2004, Betty Reichert had the mineral rights transferred out of her trust account and place in her name. That deed was signed by ELIZABETH KOLLING as Trustee. ELIZABETH KOLLING signed as the Vice-President for Community First Bank. According to the Golden Valley filing, this transfer deed was recorded on 07/17/2008. On 10/21/2008, another transfer deed was filed for the Golden Valley mineral rights. This deed was dated 10/03/2008 and it transfers the mineral rights from Reichert personally to WALTER KOLLING and ELIZABETH KOLLING. This deed was signed by "Betty J. Reichert BETTY KOLLING Attorney in fact". Attached to the deed was a power of attorney appointing ELIZABETH KOLLING as attorney. The document was dated 03/19/1995 and a signature on the document reports to be that of Betty J. Reichert. The document was notarized. However the notary entry appears on the next paper. The notary states that on 03/19/1995, Betty J. Reichert appeared before the notary and acknowledge the signature. The notary stamp for the notary however indicated that the notary's commission expired on 1-25-06. The notary listed on the document was Delores A. Dutchuk. A check of the North Dakota Secretary of State records revealed that Dutchuk's commissions ran from 1/06/1994 to 1/06/2000 and from 1/25/2000 to 1/25/2006. Dutchuk died on 12/30/2003.

13. The four mineral right deeds all state that the mineral rights were transferred to WALTER KOLLING and ELIZABETH KOLLING on 10/03/2008. However, Kyle J. Klein was the notary who notarized the four deeds transferring the mineral rights from Reichert personally to WALTER KOLLING and ELIZABETH KOLLING. During an interview, Klein stated that WALTER KOLLING brought him the deeds to be notarized on 10/20/2008. Klein stated that the deeds were already filled out with the dates and signatures. Klein required ELIZABETH KOLLING to appear before he would notarize the deeds. The deed was signed by ELIZABETH KOLLING using the same power of attorney. Klein signed the deeds indicating that he performed the notary function on 10/3/2008. However, Klein stated

that this was not correct and that he actually notarized the deed on 10/20/2008. Klein indicated that he has a notary log indicating that he performed this function on 10/20/2008. Your affiant viewed this notary log and verified the entry date identified by Klein. On 10/20/2008 the power of attorney was no longer valid because Reichert had died the day before

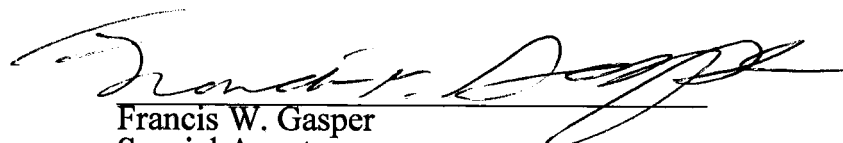
14. On 01/07/2011, WALTER KOLLING was interviewed at the PREMISES concerning this matter. When asked about acquiring the mineral rights, WALTER KOLLING stated that he and his wife had purchased the mineral rights from Reichert on 10/03/2008. KOLLING then stated that he had a copy of the check and transaction at Defendants' residence with their other records. WALTER KOLLING then provided SA GASPER with a copy of the check and transfer sale document. The document was signed by ELIZABETH KOLLING as Attorney in Fact for Reichert. This document appeared to have been prepared using a computer and printer. When I requested WALTER KOLLING make a copy of the check and document for me, WALTER KOLLING left the room and went down to the basement. After a few minutes he returned with a copy of the sale document and the check. The receipt for the check indicates that it was deposited into an account on 10/24/2008.

During this January 2011 interview with WALTER KOLLING, your affiant showed WALTER KOLLING a check from Empire Oil Company that was a lease payment for mineral rights WALTER and ELIZABETH KOLLING had obtained from Reichert. WALTER KOLLING verified that the endorsements on the check were that of himself and ELIZABETH KOLLING. Your affiant has reviewed checks from other oil industry businesses issued to WALTER and ELIZABETH KOLLING with endorsements affixed in the name of WALTER and ELIZABETH KOLLING. These checks were deposited into an account established by WALTER KOLLING in June 2010. These checks were from Anschutz Exploration Company and relate to mineral rights WALTER and ELIZABETH KOLLING obtained from Reichert in October 2008.

15. During November 2010, your affiant interviewed Kirk Martinez. Martinez advised that he was acting as a land man for mineral rights owned by Reichert in Stark County, ND. In April 2008, Martinez purchased a lease for the mineral rights on behalf of Denbury Resources, Plano, Texas. Martinez stated the rights were purchased through ELIZABETH KOLLING acting as attorney-in-fact for Reichert. A check for \$7,080 was issued to ELIZABETH KOLLING AIF Betty J. Reichert, and was endorsed the same on the back. Bill Sass was utilized by Martinez to finalize the transaction.

16. In my experience in investigating financial crimes, I believe documents discovered during the investigation together with statements of Defendants and others interviewed during the investigation, all provide probable cause that an offense has been committed and that the Defendants committed the offense.

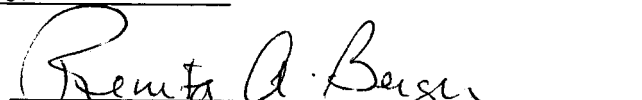
The above information is true and correct to the best of my knowledge, information and belief.

  
Francis W. Gasper  
Special Agent  
Federal Bureau of Investigation

State of North Dakota

County of Burleigh

The foregoing instrument was acknowledged before me this 23<sup>rd</sup> day of April, 2012, by Francis W. Gasper.

  
RENITA A. BERGER, Notary Public  
My Commission Expires: 8/10/2016

