
Here was the attempted scam. First, I got this Email with the attached Details of Harvester and Agreed Terms attached.

I need your skilled legal help to draft a sales agreement and to guide us through closing under the law of the state of Texas. I have negotiated and agreed to sell my 2017 used agriculture Holland CX-8-70 Combine Harvester to Daisy Farms.4482 Highway 24, Paris, TX 75462. Located in your state, the buyer wants the agreement to be governed by the laws of their state. The Holland CX-8-70 Combine Harvester has a sales price of \$273,500. This includes the insurance cost, shipping and handling cost.Please find details of the Farm combine harvester and agreed terms by both parties attached for your review. Please advise on your rate, retainer fee and email to me your retainer agreement review and signature. Thank you

Gerald W. Bremer
President
Agricultural Services Inc.
Grand Island Location
2777 N Broadwell Ave
Grand Island NE 68803
(402) 500-2579

My response:

Thank you Mr. Bremer. I have a few quick questions. Will this be a cash sale, or will it have third party financing? And, what is the timeline for this purchase?

My hourly rate is \$XXX. My standard retainer terms may be reviewed here:

My intent is to set a reasonable retainer, which is fully refundable, and then if the retainer is earned,bill monthly for payment either within 30 days or at closing, whichever occurs first. I can set a retainer once I have the answers to the questions above.

His response:

This is a cash sale. No Financing. Closing date hasn't been scheduled yet.

Your rate is acceptable. Please set your retainer fee and forward your engagement letter for my

review and signature. Thank you

My response:

Gerald, thank you for your response. Given the structure of this transaction I think it will take between 3-5 hours of my time, assuming no lengthy negotiation with the buyer. I believe a reasonable retainer would be \$XXX. This is a fully refundable deposit. Once fully earned I would bill on monthly invoice for regular payment, or at a closing (signing of contract or second/final payment), whichever occurs first. You may mail a check to my office address or send an ACH payment using the information in the attached retainer invoice.

Let's walk through a description of the sales and delivery process. Based on the document you provided, it appears the buyer will sign the contract, and pay half the sales price (earnest money) to be held by your company, fully refundable until the equipment passes inspection. The buyer will then have a certain number of days to complete an inspection and an appraisal. This time period should be less than 90 days. The buyer will need some time once he decides to close the purchase in order to arrange transportation. You should be protected during this period by restricting the buyer's ability to terminate the contract. If the due diligence is satisfactory to the buyer, the buyer will pay you the final half of the purchase price which must occur no later than 90 days after signing the contract. Upon payment of this amount, you will immediately deliver the harvester to the buyer. Please correct any of this description that is inaccurate.

I need to know the physical address of the harvester if different than below, for purposes of inspection and for delivery upon the sale, and whether there are any actions the buyer or his consultants need to comply with in order to access the harvester for inspection and appraisal.

You said closing has not been scheduled yet. When you have an idea of the desired timeline, please let me know so it doesn't fall by the wayside inadvertently.

Thank you, and I look forward to working with you on this sale. As always, please do not hesitate to contact me with any questions or comments.

His response:

Your retainer fee is accepted. I would like a few terms to be included in the standard contract that you would prepare, as this has been verbally discussed with the buyer and mutually agreed upon. The buyer will be represented by their broker. Existing terms are that the buyer will make an initial deposit that would also cover the attorney retainer.

The initial deposit will not be less than \$136,750.00 USD and this deposit will also cover attorney fees. Attorney fees deducted from the initial deposit is non refundable. Full Balance is expected

before the equipment is shipped. Once inspections of equipment are certified satisfactory by the buyer. The buyer's broker will also provide an LOI with details of the transaction at the time of initial deposit.

Confirm how you want the initial deposit and retainer check made out and mailing address. I will give out your information to the buyer's representative, just to make sure we are all on the same page. Let me know if and when they make contact.

I replied:

Gerald, please have the initial deposit and retainer sent either via ACH using the information in this attached invoice, or mail a check to my office:

I will let you know when they make contact. Thank you and as always, if you have any questions or comments, please do not hesitate to contact me.

Then the buyer's broker made contact via Email:

Dear _____,

I wish to inform you that we are the broker representing Daisy Farms in purchase of the Holland CX-8-70 Combine Harvester from Agricultural Services Inc. Please note that the initial deposit check and letter of intent has been issued and sent to Agricultural Services Inc. attorney at his/her office address. Payment will be delivered Today.

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Jeffrey Buchheister | Chief Financial Officer Cetera Financial Group | 200 CA-1 #1200, El Segundo, CA 90245 |

Direct: (724)648-3736 | Fax: (724)648-8262

Aside from the disjointed English referring to me in the third party, this Email was sent at 5:53 a.m. from a banker in California. Why was a financial group's CFO acting as a broker? Red flags.

Then I got this Email from the seller:

How are you today? I have just been informed that the initial deposit and the LOI has been sent and will be delivered to your office. Kindly look out for the payment and as soon as you receive, deduct your full retainer fee and hold onto the balance on trust pending further instructions. Please confirm receipt and respond with a copy of the LOI for my review and the deposit receipt for my records.

Thanks

So, they FedEx-d the LOI and cashier's check to my office.

My response:

Gerald, here is a copy of the signed LOI and cashier's check. I will deposit the cashiers check in my firm's client trust fund account and will Email you a copy of the deposit receipt later today. Please be sure the LOI terms are accurate and immediately advise me if there are any errors or material omissions. If it is acceptable please sign the LOI where indicated and date it underneath the signatures and Email the buyer and me a copy of the fully executed LOI. As always, please do not hesitate to contact me with any questions or comments.

Then this Email:

Thanks for the update. The stated on the LOI is acceptable, please find attached a copy of the fully executed LOI. I have been made to understand by the buyer's broker that the final inspection of the Combine Harvester has been scheduled for today, May 18, 2021. It is important for the final inspection of the Combine Harvester to be carried out today in order for us to move on to closing swiftly.

As per our funds held in your trust account, I want you to send a wire transfer of \$10,000 to the inspection company today in order for them to be able to proceed with the final inspection as scheduled. Please check your account and let me know if you will be able to have the \$10,000 sent today and I will provide you with their wire instructions.

Regards

This is where my red flags went off like crazy. The LOI and check copy is attached. The LOI doesn't make sense and the cashier's check was weird. Look at it. And so now with the cashier's check in, and available funds, he wants me to wire transfer money out. There is no term in the LOI that says the inspection company gets \$10K. It actually says "\$110,000". When I first saw that figure my heart skipped a beat. That's a big huge number. At this point I was 99.9% sure this was fraud.

That Email was received at 8:30 a.m. Later that same day at 11 he sent another Email "Did you get my message?" Ah yes, the appearance of pressure to meet a deadline. 99.999%. And yet two days ago, closing wasn't even scheduled.

My response:

I did. I contacted my bank to inquire as to the status of the funds. In the Earnest Money section of the LOI, the provision states "Deposit of cleared funds..." No similar term is included in the prior communications. Since the earnest money was in the form of a cashier's check, the bank informed

me that the funds have not cleared yet. I will advise you immediately as soon as the bank informs me that the funds have cleared.

As always, if you have any other questions or comments, please do not hesitate to contact me.

The fraudsters made a mistake including the phrase "cleared funds." This gave me an easy out. Otherwise I would have had to refer back to my earlier Email where I summarized the transaction and say something like "I'm not a party to the LOI and I never agreed to transfer available funds. I will only transfer cleared funds." But they left me the easier out and I took it. Next, he upped the pressure even more:

I was informed by the buyer's broker that the check sent to you is a Cashiers Check with cleared funds and should be made available to you 24hrs upon deposit. Please check your account today and let me know if you will be able to send out funds for the inspection. Thank you

Now I had really had it. My patience was exhausted, I was 99.9999999% sure this is fraud and I am the mark, so I said:

Gerald, the buyer's broker is correct that the form of the check I received was a cashiers check. But while a bank may make funds "available", available funds are not cleared funds. Cashiers checks do not represent cleared funds. A cashiers check goes through the same process as "regular" checks. A cashiers check just means that funds were moved from a bank customer's account to the account of the issuer of the cashiers check. A cashiers check has the same fraud risks as any other check, and for that reason, it is necessary to wait for "cleared funds." The last thing you want as the seller is to rely on funds that aren't there. I would expect this particular buyer to be sophisticated enough to know the difference, and even more so the buyer's broker who appears to be in finance.

I will let you know as soon as my bank notifies me that these funds have cleared.

In the meantime, let's finalize the sales contract. I have some questions on the purchase price because the math in the LOI is confusing. Your sales brochure stated that the sale was for \$273,500, net of all expenses. The buyer is responsible for inspection and appraisal expenses. If you allow the buyer to "spend" any of the sales price out of the earnest money on the appraisal or inspection, and you do not somehow recoup those expenses, then your purchase price is reduced by these costs and it will be less than \$273,500. Please clarify the math of this sale.

There are also blanks in the attached draft that need to be filled in. Please answer these questions.

1. At which of Ag Serv's 7 locations will the tractor be delivered at closing?
2. Who will sign the Sales Contract for Daisy Farms? And what is their title? The LOI signature is not readable.
3. Will you sign the Sales Contract for Agricultural Services, and if not, who will?
4. Is "Daisy Farms" the same as "Daisy Farms, LLC, a Texas limited liability company", and if

not please provide this information on the buyer.

5. What accessories or detachable options are being sold with the harvester (e.g. strawchopper, chaff spreader, any others?)
6. What mailing address, phone number, and Email, do you want to use for Agricultural Services for notices that may be necessary under this contract?
7. What mailing address, phone number, and Email, should be used for Daisy Farms for notices?

Thanks.

I very deliberately asked him some questions that would set up my ability to contact various people to verify this deal. I figure he knew I was on to him by now. Would you believe I never heard from him again?? So, when I got the inevitable call from my bank, I Emailed him:

Gerald, I was advised by my bank that the cashiers check your buyer sent to me, in the amount of \$136,750, was dishonored for payment at the drawee bank. There are no funds for the inspection or purchase I suggest you contact the buyer to arrange for payment of good funds. The buyer is, of course, in breach of the LOI. If you decide to continue with this transaction please contact me. I will not work on this matter any further until then.

Crickets.

When I called the actual person whose identity these crooks stole to be the seller, the real Gerald Bremer, he said that his identity, and that of his company, had been stolen from a loan the company had applied for, that the fraudsters had taken out fraudulent SBA/PPP loans in his company's name, and that I was about the 25th lawyer to contact him over the last year with the same story. Only one of us 25 marks lost money. One lawyer in Minneapolis wired and lost \$50,000. The other lawyers did what I did-wait on cleared funds.

What intrigued me most about this was the background story. The sale of an expensive piece of farm equipment isn't the most obvious setup. Getting digital images of logos from websites is obvious and easy. Using Email addresses like name@ceterafinancialservices.com instead of the proper domain name "cetera.com" took some sleuthing on my part. The seller using an @gmail.com address instead of his business's domain name was another red flag.



2017 USED AGRICULTURE NEW HOLLAND CX-8-70 COMBINE HARVESTER

SALES PRICE: \$273,500

This includes the insurance cost, shipping and handling cost.





EQUIPMENT DETAILS

Make : New Holland

Model : CX 8.70

Status : Used - Very Good Condition

Year : 2017

Engine hours : 442h

Thresher hours :325h

Cutting width : 7.60m

Number of shakers : 6 agitators

Engine Power : 275kw

Grain Tank Size: 9500

Transmission Type: H

Weight : 16.74 t

Transport Length: 9.07m

Transport Width: 3.48m

Transport Height: 3.96m

Engine Manuf: FPT

Engine Type: Cursor 9

Engine Power : 374 HP

Displacement: 8.7 l

No. of Cylinders : 6

Standard Tyres : 680/85 R32; 710/70 R42

Sundry equipment :Air conditioning straw

Chopper chaff-spreader

NEGOTIATED AND AGREED TERMS

- 1. Buyer wants the agreement to be governed by the laws of their state.**
- 2. Buyer will handle all taxation**

3. Timeline-Sale will be finalized once both parties have signed the sales agreement and full payment made.

4. Shipping - Buyer will take responsibility of shipping cost and also risk of damage.

5. Method of payment, and whether a deposit will be paid. This is a cash transaction. No Financing

6.No warranties. Equipment is sold AS IS', but a satisfactory inspection will be done and an appraisal issued by the inspection company.

7. Buyer will take responsibility of shipping cost and risk of damage.

8. Payment Schedule: By federal funds wire transfer or by check in United States dollars without regard to any fluctuation in currencies, the Purchaser shall pay the Price to according to the following schedule:

9. Earnest Money deposit: Not less than 50% of the total purchase Price.

The remaining 50% of the Price within ninety (90) days of execution of the Definitive Agreements.

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