

Memorandum

Longo
First FOIA Release



To : SAC, BALTIMORE (49B-NEW) (SQ. 5) (P) Date 2/1/95

From : SA [redacted]

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b7C

Longo's 1st Truck
Driver Training
School & Computer
Training School

Subject: CHARLES R. LONGO,
dba, NATIONAL TRAINING SYSTEMS INC. (NTSI)
7140 VIRGINIA MANOR COURT
LAUREL, MARYLAND;
SHIPPER'S CHOICE INC.;
BANKRUPTCY FRAUD
OO: BALTIMORE

Longo's 2nd Truck
Driver Training
School

CHAPTER 11
90-5-4907 SO

William F. Howard

Department of Education, Maryland
Attorney General's Office, telephone [redacted], advised that he
had been conducting an investigation regarding captioned
individual in an effort to recover over twelve million dollars in
tuition payments from former students of the NTSI. Since it
appears that LONGO has deferred all of the remaining assets of
his company, NTSI [redacted] has all but completed his investigation.

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Longo's first two bankruptcies, NTSI and personal Sept. and Nov. 1990

In September 1990, a Chapter 11 Bankruptcy was filed
regarding the NTSI and in November 1990, LONGO declared personal
bankruptcy. LONGO is one hundred percent owner of NTSI. In July
1993, the corporate bankruptcy was dismissed. Howard [redacted] advised
that the liquidation plan for NTSI was confirmed in September
1992. The company never went into Chapter 13, consequently no
trustee was appointed for the NTSI matter.

The counsel for the Creditor's Committee is one [redacted]
[redacted] who is currently serving a sentence in unrelated matter.

Howard [redacted] advised that his investigation reflected that
LONGO sold off much of the assets of the company and diverted
these assets to himself. Howard [redacted] has proof that LONGO sold a car
for \$7,000.00. He was unable to prove that LONGO sold other
assets of the company such as personal computers and the like.

This is probably a pretty good indicator of how corrupt the
DOJ bankruptcy trustee program was in Baltimore.

2 - Baltimore
HWB:glwm
(2)

Round out allegations
and present early to AUSA.
Be mindful of statute of limitations.

O.S.A.
2/2/95
9/12/95
9/12/95

49A-BA-85694-1

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 0 1995	
FBI - BALTIMORE	

[redacted] KVS

Memorandum



To : SAC, BALTIMORE (49A-BA-85694) (SQ 5) Date **3/24/95**

From : SA [redacted] (2)

Subject: CHARLES R. LONGO,
dba NATIONAL TRAINING SERVICES INC. (NTSI);
SHIPPER'S CHOICE INC.;
BANKRUPTCY FRAUD
OO: BALTIMORE

3-28-95
mb

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Re memo from SA [redacted] to the SAC,
February 1, 1995.

Reference memo advises that [redacted] William F. Howard
Assistant MD. Attorney General Office of the Attorney General, State of
Maryland, 200 St. Paul Place, Baltimore, Maryland, informed the
Baltimore Office of the FBI that the possibility exists that
LONGO has committed bankruptcy fraud in the filing of personal
bankruptcy for himself as well as his two companies, National
Training Services Inc. and Shipper's Choice Inc.

On February 10, 1995, [redacted] Howard was interviewed concerning
these allegations and shortly thereafter facts concerning this
matter was presented to AUSA [redacted] for a prosecutive
opinion. AUSA [redacted] requested SA [redacted] investigate
allegations of [redacted]

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This is National
Training Systems,
(Not Services)

This MD. Assistant United States
Attorney (AUSA) may have been a
George Russell III, he did a long
telephone interview of of me
probably in early 1995.
Or it may have been Dale
Kelberman, MD. DOJ Chief of White
Collar Crimes. (Sept. 1994 meeting)
Both Kelberman and Russell were
caught lying in my FL. RICO in 1998

(2) - Baltimore
JKS:pef
(2)
pef

49A-BA-85694-2

SEARCHED _____
INDEXED _____
SERIALIZED mb
FILED mb

49B-NEW

After the bankruptcy was filed, a Debtor in Possession (DIP) account was opened. [] advised that approximately \$85,000.00 from the DIP account was deposited to a new account for a company formed by LONGO called Shippers Choice Inc. (SCI). Another \$65,000.00 from the NTSI account was unaccounted for but was apparently withdrawn from the NTSI DIP account.

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On December 9, 1994, LONGO filed bankruptcy for his second company, SCI. A Chapter 7 Bankruptcy was filed and the [] TRUSTEE is [] Joel SHER of Shapiro and Olander. He believes that another partner of the firm [] Timothy McCormick may also be working on the case.

[] Sher advised he currently is in possession of various company records, including bank account records and depositions filed in bankruptcy proceedings. He believes that the Statute of Limitations may soon be approaching in regard to this matter.

49A-BA-85694

In view of the above, no further investigation is being conducted by the Baltimore Division at the present time. Tickler will be set for June 1, 1995 so that Bankruptcy Court can be recontacted to determine the status of LONGO's bankruptcy filing at that time. Baltimore will consider reopening this investigation at that time with the concurrence of the United States Attorney's Office is warranted.