

## **EXHIBIT A**

**UNITED STATES DISTRICT COURT  
FOR NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

**UNITED STATES OF AMERICA**

**v.**

**MICHAEL E. KELLY**

)  
)  
)  
)  
)  
)  
)  
)  
)  
)  
)

**Case No. 06-CR-0964**

**AFFIDAVIT OF LORY KELLY**

Lory Kelly, being first duly sworn on oath, deposes and states the following:

1. I have first-hand knowledge of the matters set forth herein and could and would testify thereto if called to do so.

2. I have been married to Michael (“Mike”) E. Kelly for over thirty years. We were married on July 31, 1976 in South Bend, Indiana. For the first approximately twenty-two years of our marriage, we lived in the United States, including in Indiana, Ohio, Texas, and Utah. During this time, Mike worked in the automotive repair and paint business, van conversion business, the ethanol industry, automotive manufacturing and owned a family fun park in LaPaz, Indiana. In the early 1990s, he manufactured go-karts and bumper cars and sold them primarily in the United States, Latin America and possibly other locations.

3. In or around 1996, after a period of frequent travel to Mexico, Mike moved to Cancun, Mexico full-time in order to pursue business opportunities in the hotel and resort industry. I joined him in Cancun in 1998. We maintained a home in South Bend for several years, selling the house in 2002. For the last several years, Mike and I have resided at 27 Flamingo Court, Cancun, Mexico 77500.

4. Mike has spent roughly the past ten years developing the resort hotel business in Mexico, Panama, and previously, Belize.

5. In or about 2002, Mike became a Mexican citizen. Mike sought dual citizenship for business reasons.

6. Mike's Mexican passport shows his legal name as Michael Eugene Kelly, as does his American passport.

7. People in Mexico use four names, one of which is their mother's maiden name: first name, middle name, surname, mother's maiden name. For this reason, there are identifying documents issued to Mike outside of the United States that include his mother's maiden name, and identify him as Michael Eugene Kelly Hodgson. Aside from his occasional adoption of this cultural difference in personal identification, Mike has never used or been known by any other name than Michael E. Kelly (or Mike Kelly).

8. In or around 2002, Mike was diagnosed with severe aortic stenosis. In September 2002, Mike began to experience severe chest pains. On the advice of his physicians, he traveled to the Mayo Clinic in Jacksonville, Florida later that month, where he underwent a triple bypass and a coronary valve replacement. Mike has been under the regular care of a physician ever since his surgery. He has made regular visits to Dr. Sergio Cardoza.

9. Since the operation, Mike has experienced fatigue and deteriorating health. However, Mike does not complain to me about his condition because he does not want me to worry. Mike regularly tells me he is okay, including telling me he was okay immediately preceding and following his triple by-pass surgery. Since his operation, Mike has taken steps to put his affairs in order, passing responsibility for managing his business to his sons and other key business persons.

10. In December 2006, Mike again began to experience severe and persistent chest pains and leg aches. Because of these pains, Mike made arrangements to return to the Mayo Clinic in Jacksonville, Florida.

11. Because of the upcoming holiday season and because Mike's health condition made the date of our return to Mexico uncertain, we determined that traveling by commercial carrier was not feasible on short notice. Mike and I traveled to Florida on a chartered plane on December 20, 2006.

12. Hours prior to our arrival in the United States, the pilots were required to provide the names and passport information of all passengers arriving in the United States. Mike provided his United States passport to the pilots and used the same passport to clear United States Customs when the plane landed in Fort Lauderdale, Florida.

13. We flew on to Jacksonville, Florida where a member of the Mayo Clinic staff met us at the Jacksonville Airport. We drove to a Marriott Hotel and then took my husband directly to the St. Luke's Hospital, part of Mayo Clinic, where he was admitted under the name Michael E. Kelly. He received an intravenous treatment prescribed as emergency anticoagulation therapy upon arrival at the hospital. The following day, Mike underwent a cardiac catheterization procedure.

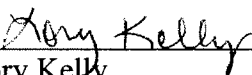
14. Mike was arrested by federal agents on December 22, 2006 while still inside the Mayo Clinic. I was present when the federal agents arrived in Mike's hospital room; at no time did Mike resist being taken into custody.

15. On February 1, 2007, I was permitted to visit Mike at the Metropolitan Correctional Center in Chicago for the first time. He appeared to have lost twenty pounds or more since I last saw him in Jacksonville, and he looked very pale and tired. He expressed

concern about his medical condition and treatment and specifically stated that his Coumadin levels are off. I am most concerned that the proper Coumadin levels for his heart have not been maintained, checked, or achieved while in custody. None of the recommended medicine adjustments have been followed through since December 22. My concern is heightened by Mike's history of coronary heart disease, his aortic valve replacement and his recent chest pain episodes. I find the current situation to be absolutely intolerable. Considering Mike's health conditions detailed here and in his medical records, it appears Mike's health is more at risk as each day passes.

16. I am willing to act as a third-party custodian for my husband if he is released on bond pending trial. I am willing and able to monitor his whereabouts and activities leading up to trial. In addition, there is no doubt in my mind that Mike will appear for any future court proceeding. Mike and I will live in and remain in Chicago until this matter is concluded.

I affirm under penalty of perjury that the foregoing representations are true.

  
\_\_\_\_\_  
Lory Kelly

## **EXHIBIT B**

**AFFIDAVIT OF**  
**SERGIO A. CARDOSO-FRIAS**

I, Sergio A. Cardoso-Frias, M.D., being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit unless otherwise indicated.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am a forty-nine year citizen of Mexico licensed to practice medicine in Mexico.

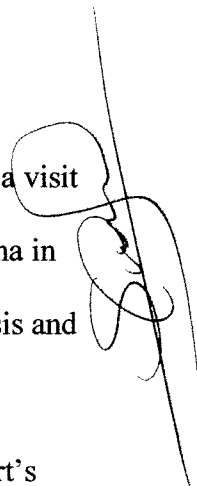
For twenty two years I have practiced medicine in Cancun where my specialty is general internal medicine (“Medicina Interna.”)

4. I was educated at the University of Mexico, Mexico City, Mexico where I obtained my medical degree in 1980.

5. I have known Michael E. Kelly of Cancun, Mexico for seven years and have served as his personal physician since at least 2000. Mr. Kelly is a 57 year old male businessman with severe aortic stenosis and severe coronary artery disease.

6. In September 2002, pursuant to my recommendation Mr. Kelly scheduled a visit to the Mayo Clinic in Jacksonville, Florida after he had experienced chest pain or angina in Cancun and I had conducted a variety of stress tests. I concluded that he had aortic stenosis and was in need of further cardiac examination.

7. Aortic valve stenosis - or aortic stenosis - is a condition in which the heart's aortic valve narrows. This narrowing prevents the valve from opening fully, which obstructs blood flow from the heart into the aorta and onward to the rest of the body. When the aortic



valve is obstructed, the heart needs to work harder in order to pump blood into the body.

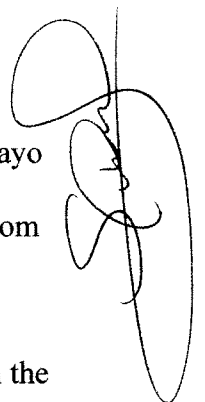
Eventually the heart muscle becomes thicker because it has to pump harder due to the obstruction. In addition, one's heart can pump only a limited amount of blood and cant provide the increase in blood flow necessary for activities such as exercise.

8. As a result of the diagnosis of Mr. Kelly as having severe aortic stenosis as well as substantial occlusion of three arteries, Mr. Kelly received emergency surgery at Mayo Clinic in Jacksonville including a coronary triple bypass and a mechanical prosthesis (a St. Jude's aortic valve replacement). While mechanical prostheses are longer lasting than bioprostheses from pigs (porcine) or cows (bovine), they require life-long anticoagulation with blood thinners such as warfarin (Coumadin is the premier brand name blood thinner) to prevent clot formations on the valve surfaces. Otherwise, blood clots lodged from these valves can travel to the brain and cause embolic stroke or embolic problems in other parts of the body.

9. Between 2002 and 2006 I have regularly examined Mr. Kelly and been particularly concerned about the risks of strokes given the fact that he must stay on anti-coagulants as a result of his aortic valve replacement in 2002. In December 2006 he was on five prescription medications: 5 mg Coumadin, a blood thinner; 80 mg Telmistran for blood pressure; 40 mg Pantoprazol for gastritis; 100mg Metoprolol for heart and blood pressure and 10 mg of Lipitor for high cholesterol.

10. In December 2006 Mr. Kelly was reexamined at the Mayo Clinic in Jacksonville after he had experienced chest pain or angina and leg pain in Cancun. The Mayo Clinic confirmed on December 21, 2006 my professional opinion that Mr. Kelly suffers from severe coronary artery disease.

11. I understand that on or about December 22, 2006, Mr. Kelly was arrested in the

A handwritten signature in black ink, appearing to be a stylized name, located on the right side of the page.

cardiology unit of Mayo Clinic in Jacksonville, transferred to federal custody in Jacksonville, thereafter to Oklahoma City and then to Chicago, Illinois.

12. I further understand that Mr. Kelly's International Normalized Ratio (INRs) has varied significantly while in U.S. Bureau of Prisons custody which means that he could well be subject to a serious risk of a stroke or brain embolism. Mr. Kelly's safe INR range is 2.5 to 3.5 – the range for high intensity anticoagulation.

13. I further understand that during his approximate 45 days in custody the U.S. Bureau of Prisons has substituted one or more medications I prescribed for Mr. Kelly with generic medicines which makes it difficult for Mr. Kelly to know how what he is taking now relates to the prescribed medicines and dosages he previously took.

14. It is my professional opinion as Mr. Kelly's private physician and as a doctor familiar with his medical history that:

a. Mr. Kelly suffers from a combination of serious cardiovascular conditions including severe coronary artery disease and severe aortic stenosis and has also been the recipient of a mechanical aortic valve replacement and a triple bypass that necessitate very careful medical supervision and lifelong anti-coagulant medication to avoid a new coronary event or systemic embolism (stroke or peripheral artery embolism);

b. Mr. Kelly experienced substantial stress and chest and leg discomfort in December 2006 which led him to travel to and be admitted to Mayo Clinic in Jacksonville;

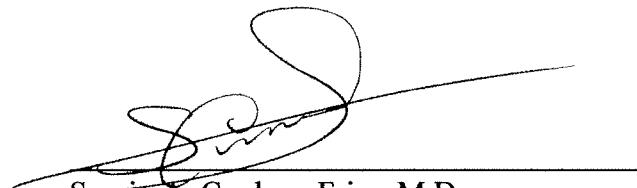
c. Mr. Kelly's arrest by law enforcement agents at Mayo Clinic in Jacksonville in December 2006 and his incarceration since then can only

exacerbate stress on his heart;

d. Mr. Kelly's anxiety level can only be increased by the apparent inability of the U.S. Bureau of Prisons to monitor or control his anti-coagulant dosages within the prescribed INR range and its decision to substitute to generic drugs of which Mr. Kelly likely has no familiarity;

e. Mr. Kelly's medical and heart condition would be greatly improved by his release from custody in Chicago, an ability to regularly visit and be examined by internists and cardiologists there who can best assure that the lifelong requirement of blood thinners for a patient with a mechanical aortic valve is properly met; by the assurance that his severe coronary artery disease is fully and regularly reviewed by qualified internists and cardiologists; and by the knowledge that his INR measurements are being controlled so as to minimize the significant risk of a stroke or brain embolism.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.



Sergio A. Cardoso-Frias, M.D.

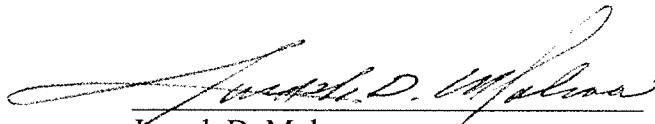
## **EXHIBIT C**

**AFFIDAVIT OF**  
**JOSEPH D. MOLNAR**

I, Joseph D. Molnar, being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am seventy-one years old, married and I am a former police officer with the St. Joseph County Police Department with which I served for thirty-eight years.
4. I have also been employed as a security officer for the past twenty-five years and continue to serve in such a capacity today.
5. I have also owned my own professional painting business for the past eight years.
6. I have known Michael E. Kelly for approximately thirty-five years.
7. I first came to know Michael through his father Leonard Kelly who was an active member of the St. Joseph County Sheriff's Posse.
8. I continued to know Michael through his own membership with the Sheriff's Posse as well as through continued social engagements.
9. While on the Sheriff's Posse, Michael was always one of the first individuals to volunteer and help with any situation even though the position was without pay.
10. Michael has always been friendly, outgoing, and most importantly, accountable. He has always acted professionally and carried himself as a gentleman.
11. Throughout my entire friendship with Michael, Michael has always been willing to reach out to those in need.
12. I have never observed anything about Michael that would cause me to believe that he would not honor his word to appear at any time to answer any charges against him.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.

  
Joseph D. Molnar


## **EXHIBIT D**

**AFFIDAVIT OF**  
**VICTOR S. RUBENSTEIN**

I, Victor S. Rubenstein, being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am sixty-three years old, married and I am a retired Vice-President for Rubenstein and Associates, a marketing consulting firm.
4. I have known Michael E. Kelly for twenty years and first met him when I conducted marketing services for Avanti.
5. In all the years that I have known Michael, he has always taken full responsibility for his actions whether or not that meant taking the credit or the blame. He is a man of his word who stands up for his commitments.
6. In the twenty years that I spent working with Michael, he and I would have our agreements as well as disagreements and regardless of the outcome, Michael has always been a gentleman and remained a good friend as well a business associate.
7. When I was working on a deal between Michael and the Cafaros who eventually bought Avanti from Michael, Michael and I had only a verbal agreement that my consideration for facilitating the deal would be 5% of the company's stock. When it came time to sign the agreement, the Cafaros attempted to write me out of the deal. Mike told the Cafaros that he had a commitment to me and that he was going to honor that commitment and would not sign the deal unless the Cafaros agreed to pay me their share of the 5%. Michael was willing to walk away from a multi-million dollar deal in order to uphold his verbal agreement with me. This is just one of many examples of Michael's integrity.
8. I have absolutely no doubt that Michael would keep his word and appear before a court when required to do so.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.

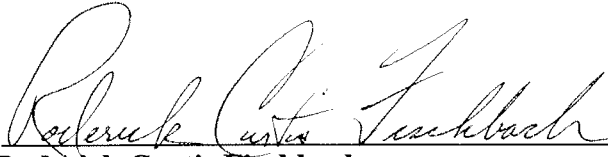
  
\_\_\_\_\_  
Victor S. Rubenstein

## **EXHIBIT E**

**AFFIDAVIT OF**  
**RODERICK CURTIS FISCHBACH**

1. I am an adult male over the age of eighteen (18) years old, and have personal knowledge of the matters of this affidavit.
2. I am making the following statements regarding the character of Michael E. Kelly on my own accord and free will. And have been given nothing of value to make these statements.
3. I have known Michael E. Kelly for almost fifty (50) years. I first knew him on a personal level when he was eight (8) years of age. Throughout my personal relationship with Michael, Michael has at all times maintained a truthful and honest character.
4. I have personally been aware of four (4) of Michael's past business dealings, including three (3) ventures involving Avanti Motors, as well as his dealings with a water park in Panama. To the best of my knowledge, all of those business ventures were pursued by Michael openly, honestly, and in an honorable manner.
5. A specific example of Michael's honesty and integrity occurred when he first sold his interest in Avanti in 1989. During the sale, Michael made sure that all supplier contracts were completed successfully through his last day of service with the company.
6. I believe that Michael is a man of his word who can be trusted.

I affirm under the penalties of perjury that the foregoing are true.

  
**Roderick Curtis Fischbach**

17 Jan 2007


## **EXHIBIT F**

**AFFIDAVIT OF**  
**BILL E. CROCKER**

I, Bill E. Crocker, being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am seventy-seven years old, married and I am a retired Vice-President for 1st Source Bank.
4. I have known Michael E. Kelly for over thirty-five years and first met him when I financed a car loan for him. Michael made all the payments on that loan and was never delinquent.
5. Throughout the years, I developed a personal friendship as well as a professional relationship with Michael. He has always been faithful and honest and I have never doubted his trustworthiness.
6. One of my largest business dealings with Michael was when I financed his purchase of Avanti's assets out of bankruptcy. During the period of that note, Michael never missed a payment. The note was eventually assigned by Michael when he sold the business. The individuals who took over the note became delinquent and failed to make a payment. After learning of the situation, Michael, out of his own funds, made the required payments.
7. Michael has always been a man of his word and I have always trusted him. I personally loaned him over \$20,000.00 dollars to purchase an automobile. Because I knew that I could rely on Michael, I did not make him sign a note of any kind. Michael was a man of his word and fully paid off the loan.
8. I have not observed anything about Michael that would cause me to believe that he would not honor his word and appear before court when required to do so.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.

---

Bill E. Crocker

## **EXHIBIT G**

**AFFIDAVIT OF**  
**MEYER ROSEN**

I, Meyer Rosen, being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am seventy-four years old, married and I have been a marketing and advertising professional in Chicago, Illinois for approximately forty years.
4. I am an owner of Meyer Fredericks which conducts marketing, advertising, and public relations services.
5. I have known Michael E. Kelly for at least twenty-five years. I met him while trying to gain the advertising business for Avanti.
6. Michael has always been truthful and honest in both my friendship and professional relationship with him. I have always known that I could trust Michael and he is certainly a man of his word.
7. When dealing with Michael professionally, I knew that his handshake was even more important than a signed contract. He always fulfilled his word and commitments to me.
8. My faith and trust in Michael would go so far as me being willing to sign a blank check for monies owed to Michael and having the confidence and faith that Michael would fill the check out properly for the amount owed.
9. A specific example of Michael maintaining the upmost integrity was when one of my former clients purchased a vehicle from Michael while he owned Avanti. The individual was not happy with the car and when I informed Michael of the individual's dislike, he told the individual to return the car for a full refund with no questions asked.
10. Michael was always sure to keep all business dealings legitimate. While developing advertising and marketing services for Avanti, one of the marketing agents wanted to insert language into the advertising which Michael felt was misleading and untrue. Michael made sure that the language was in no way included in the advertisement.
11. Michael has always been involved in various charity activities especially in South Bend, Indiana.
12. I can confidently say that if Michael gives his word to appear before a court he will keep that word and appear when required to do so.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.

  
Meyer Rosen

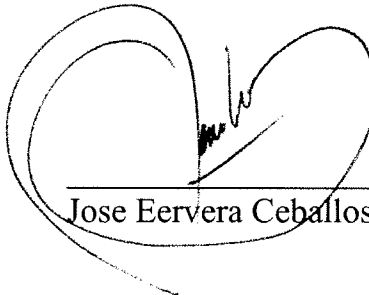
## **EXHIBIT H**

**AFFIDAVIT OF**  
**JOSE EERVERA CEBALLOS, M.D.**

I, Jose Eervera Ceballos, M.D., being first duly sworn upon his oath, and under pains and penalties for perjury deposes, affirms, and states the following:

1. I am an adult male over the age of eighteen (18) years old and have personal knowledge of the matters asserted in this affidavit.
2. I am making the following statements regarding Michael E. Kelly on my own accord and free will and have been given nothing of value to make these statements.
3. I am forty-one years old, a Mexican citizen, and I am physician in private practice in Cancun, Mexico.
4. I have know Michael E. Kelly for five years and have acted as his physician as well as his close friend.
5. In both my friendship and professional relationship with Mr. Kelly, Mr. Kelly has always acted in a truthful and honest manner.
6. Mr. Kelly is a man of his word and has always maintained the upmost honesty and integrity and has always fulfilled his commitments to me.
7. I am personally aware that Mr. Kelly has taken many steps to help the community of Cancun. He has generously developed a charitable foundation which has given aid and relief to over 450 impoverished Cancun children.
8. Everything I know about Mr. Kelly makes me believe that he will appear at any time to answer any charges against him.

Further affiant sayeth not. I affirm under penalty of perjury that the foregoing representations are true.

A handwritten signature in black ink, appearing to read 'Jose Eervera Ceballos', is written over a horizontal line. The signature is stylized with large loops and a prominent flourish on the left side.

Jose Eervera Ceballos, M.D.