

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA  
ANDERSON/GREENWOOD DIVISION**

UNITED STATES OF AMERICA	)	Civil Action No. 8:12-cv-2078-JMC
	)	
V.	)	
	)	
RONNIE GENE WILSON	)	
ATLANTIC BULLION & COIN, INC.,	)	
	)	
Defendants.	)	
_____	)	
	)	
IN RE: RECEIVER FOR	)	
RONNIE GENE WILSON AND	)	
ATLANTIC BULLION & COIN, INC.	)	

**Response of Charles Schaum and Allison Schaum to the  
Receiver’s Petition and the resulting Court’s Rule to Show Cause Order**

Counsel for Charles Schaum and Allison Schaum hereby responds to the Court’s Rule to Show Cause in this matter regarding the possession of two automobiles as described in said Rule to Show Cause.

With regard to the fact that Charles Schaum and Allison Schaum are the son-in-law and daughter, respectively, of the Defendant Ronnie Gene Wilson, there is no argument. That fact is brought out at times by some to suggest that their family relation carries with it some shared responsibility for the losses suffered by the many people who were defrauded by the Defendant Wilson. That is not the case in this situation.

Charles Schaum and Allison Schaum were completely unaware of any of the Defendant’s wrongdoing, and only found out about the Ponzi scheme on the evening before the story was to be reported by the news media. Defendant Wilson came to the home of Charles Schaum and

Allison Schaum and told them what was about to become public. Defendant Wilson told the Schaums, who were stunned to hear, that there was no money in their personal investment account with his company, and there was no money in the other investors' accounts either.

Petitioner/Receiver incorrectly states in his pleadings that Charles Schaum and Allison Schaum were not investors. Petitioner/Receiver is probably under this mistaken belief and made that statement in his Petition because Charles Schaum and Allison Schaum did not make a claim for the money they invested in Defendant Wilson's company. Charles Schaum and Allison Schaum decided not made a claim through the court for several thousand dollars that they invested in an account with Defendant Wilson for a college fund for the oldest daughter of Charles Schaum and Allison Schaum. Their daughter, who will be ready to enter college after one more year of high school, will have no savings to depend on toward those expenses because Defendant Wilson used the college funds of his own granddaughter in his scheme. He never gave the first indication of any problem to Charles Schaum and Allison Schaum until that fateful evening of confession by Defendant Wilson. The Schaums found out the truth only hours prior to the general public.

Prior to that time, for more than six years, Charles Schaum and Allison Schaum, in various capacities, were working on Defendant Wilson's farm in Spartanburg County. Defendant Wilson told the Schaums that it was his intention to turn over all of the farm operations as well as the property to the Schaums at some point when he decided to retire. The Schaums felt that all their hard work and effort was going to improve an asset that would one day be for them and their children. It is now clear that not only will that not happen, but in addition certain assets that the Schaums own are being sought by the Receiver because they are tainted with their relationship to the Defendant Wilson. Although the Schaums do not intend to participate in any

recovery from the Ponzi scheme to recover their lost investment, the Schaums do not want to lose their automobiles that have nothing to do with the Ponzi scheme.

### **2005 Toyota Prius**

With regard to the 2005 Toyota Prius sought by the Receiver, Respondents would draw the Court's attention to the Allison Schaum affidavit attached hereto as Exhibit A. Allison Schaum was told by Defendant Wilson that the gold coins used to purchase that car were the gold coins that she had kept in Defendant Wilson's safe. Charles Schaum and Allison Schaum, in addition to investing some savings with Defendant Wilson's company, had a few gold coins that they had purchased over the years and kept in Defendant's safe because they had no safe at their house. Defendant Wilson told Allison Schaum that the coins he brought for her to use were those he had been holding for her. He was familiar with the market price of precious metals and he told her that she had enough to add up to the purchase price of the 2005 Prius which, as the Receiver's records show, was purchased for Ten Thousand Dollars (\$10,000.00).

It is worth noting that this car, when it was purchased in 2011, was over 6 years old and had 118,000 miles already on it according to the sale paperwork. Defendant Wilson was not known for a tendency to purchase used cars with an excessive amount of miles. Neither would a 6 year old Toyota Prius with over 118,000 miles on it be termed a lavish gift. The point being that if Defendant Wilson were using other people's money to buy his daughter a gift, this would not be what would be expected. Although inconvenient for some to admit, it is more likely that what happened is this: a purchase of a used car was completed for about six 1 ounce gold coins which were purchased by Allison Schaum years earlier before gold got to be worth just under \$2,000.00 per ounce.

### **Ford F250**

With regard to the Ford F250 sought by the Receiver, Respondents would draw the Court's attention to the Charles Schaum affidavit attached hereto as Exhibit B. Charles Schaum provided the use of his personal truck for the purpose of improving and maintaining the farm owned by Defendant Wilson, and Defendant Wilson promised Charles Schaum that if he would use his personal truck, Wilson would purchase Charles Schaum a replacement truck when the time came to do so.

As a result of a major transmission failure at the end of 2010, it came time to replace the truck owned by Charles Schaum. Defendant Wilson purchased a used Ford F250 as a replacement truck as was their agreement. Charles Schaum did not request that particular truck and did not know what the replacement vehicle would be until it was purchased by Defendant Wilson. If Defendant Wilson had reimbursed Charles Schaum the Federal rate for mileage used on his personal truck while working on the farm, the amount paid to Charles Schaum would have exceeded the amount paid for the replacement truck and there would be no discussion about those payments.

Because there is an identifiable asset which appears to be purchased with money from an account that included some Ponzi scheme money, the Receiver seeks to recover that asset. Respondent Charles Schaum would respectfully show unto the Court that the use of his personal truck was given in exchange for the promise to replace it. That is, in effect, no different from the receipt of a per mile reimbursement for use of one's vehicle in a business enterprise. During the time of the use of Respondent's truck, Defendant Wilson's farming activity received income as a result of the use of the Respondent's truck and that income is believed to have been deposited and comingled with what is now known to be Ponzi scheme money. Income from the operations

of the farm, can be attributed, in part, to the results of the use of Respondent's truck in the day to day operation of Defendant Wilson's farm. If Defendant Wilson had paid a per mile reimbursement to Charles Schaum, and Charles Schaum had saved that money and purchased the replacement truck himself, then it is most unlikely that the Receiver would be focused on this asset as one to recover under the Court's standing order to do so. The fact that the truck was provided as reimbursement directly should not change that result.

Charles Schaum and Allison Schaum would respectfully ask the Court to dismiss the Receiver's Petition, or in the alternative, set the matter for a hearing so that the Schaums can present testimony from third parties in addition to their own, that will demonstrate to the Court the truth of that asserted herein.

Respectfully submitted,

/s/S. Allan Hill  
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Counsel for Charles Schaum and Allison Schaum

November 20, 2012  
Greenville, SC

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF SOUTH CAROLINA  
ANDERSON/GREENWOOD DIVISION**

UNITED STATES OF AMERICA )

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v. )

RONNIE GENE WILSON )  
ATLANTIC BULLION & COIN, INC., )

Defendants: )  
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IN RE: RECEIVER FOR )  
RONNIE GENE WILSON AND )  
ATLANTIC BULLION & COIN, INC. )

**AFFIDAVIT OF Allison Schaum**

PERSONALLY appeared before me Allison Schaum who, being first duly sworn, does hereby certify and state as follows:

1. I am over the age of twenty-one (21) years, and this Affidavit represents my personal knowledge of the facts set forth herein.
2. My name is Allison Jill Schaum and I am the owner of a 2005 Toyota Prius which is sought by the Receiver in the above case.
3. On May 2, 2011, Auto Deals sold me the 2005 Toyota Prius bearing VIN number JTDKB20U353122911.
4. I used gold coins that my father, Defendant Wilson was holding for me in his safe and brought to the transaction for the purpose of purchasing the car.
5. I had purchased gold coins in previous years and kept them in my father's safe because I do not have one.

FURTHER AFFIANT SAYETH NOT.

Allison Schaum  
Allison Schaum

Sworn to before me this 20<sup>th</sup>  
day of November, 2012.

Davina Robertson  
Notary Public for  
My commission expires 12/5/15

DAVINA S ROBERTSON  
Notary Public - Notary Seal  
STATE OF SOUTH CAROLINA  
My Commission Expires: Dec. 05, 2015

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RONNIE GENE WILSON )  
ATLANTIC BULLION & COIN, INC., )

Defendants. )  
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IN RE: RECEIVER FOR )  
RONNIE GENE WILSON AND )  
ATLANTIC BULLION & COIN, INC. )

**AFFIDAVIT OF CHARLES SCHAUM**

PERSONALLY appeared before me Charles Schaum who, being first duly sworn, does hereby certify and state as follows:

1. I am over the age of twenty-one (21) years, and this Affidavit represents my personal knowledge of the facts set forth herein.
2. My full name is Charles Edward Schaum, Jr.
3. Beginning in 2006, I began working for Ronnie Gene Wilson on his farm doing pretty much anything that needed to be done on the farm on a day to day basis.
4. At the time I started working on the farm, Mr. Wilson did not have a truck to perform the many tasks on the farm that required a truck.
5. As a result, Mr. Wilson asked me to use my personal truck for the farm, and he promised me that if I used my truck, he would replace my truck when the time came to do so.



6. At that time in 2006, I owned a 2000 Chevrolet Silverado with approximately 60,000 miles.
7. I purchased that truck in December 2004 with 48,000 miles on it at the time of purchase.
8. I financed my truck at the time of my purchase and I made 48 monthly payments beginning in 2004.
9. After I started and using my truck for Mr. Wilson's farm, I continued making my monthly payments on my truck using my own money until I paid it off according to the terms of the loan.
10. From the time I started using my truck for Mr. Wilson's farm, I used my truck almost exclusively for the farm because I had another vehicle I used for my family and personal uses.
11. During the time I used my truck for the farm, I made hundreds of trips on behalf of the farm business which included trips to farm suppliers, fence material suppliers, produce and animal products suppliers.
12. My truck was used to support the farm product sales and also to improve the real property through construction projects such as barns and fences which added value to the real estate now held by the Receiver for sale.
13. Proceeds from the sale of farm products were deposited in accounts owned by Mr Wilson.
14. The improvements I made to the farm property while using my truck have enhanced the value of the farm property which will be realized in any future sale of the property.
15. I paid to maintain my truck and paid for insurance on through my family policy during the time I used it for the farm.


16. In December, 2010 the transmission in my truck failed with the odometer showing just over 204,000 miles.
17. It was determined that the cost of the repairs necessary to get my truck running again were more than the value of my truck if it were repaired, taking into consideration the high mileage and physical condition, so the decision was made not to spend any money to repair my personal truck.
18. The following month, in January, 2011, (as agreed much earlier back in 2006) Mr. Wilson replaced my truck by purchasing a used 2008 Ford F250 truck with 22,000 miles on it.
19. I had nothing to do with the purchase of the replacement truck and I did not know how much was paid for it until much later.
20. I did not express any interest in any particular truck, and I did not know what was purchased until Mr. Wilson showed up with the replacement truck at the farm.
21. Mr. Wilson titled the replacement truck in my name as a replacement for my personal truck that I had driven for over four years and on which I had logged over 144,000 miles for the farm until the transmission failed and the vehicle was parked.
22. If I had been reimbursed at only 25 cents per mile for the 144,000 miles, (which I understand is less than half of the Federal allowable rate per mile), the reimbursement would be approximately equal to the cost of the replacement truck.
23. I continued to use the replacement truck for the farm for a short time until Mr. Wilson purchased another used truck to be used for the farm.
24. The Ford F250 truck sought by the Receiver to be returned was not a gift, but was instead payment for value rendered under the terms of the agreement reached several years earlier regarding the use of my truck.


25. After I had performed my part of the agreement, (the use of my truck for over 4 years and 144,000 miles for the benefit of the farm), the receipt of the truck was the completion of the contract agreement.

FURTHER AFFLIANT SAYETH NOT.

  
Charles Schaum

Sworn to before me this 20<sup>th</sup>  
day of November, 2012.

  
Notary Public for SC  
My commission expires 12/5/15

  
DAVINA S ROBERTSON  
Notary Public - Notary Seal  
STATE OF SOUTH CAROLINA  
My Commission Expires: Dec. 05, 2015