

This is Google's cache of <http://www.insightmag.com/main.cfm?include=detail&storyid=213410> as retrieved on Nov 6, 2005 15:52:41 GMT. Google's cache is the snapshot that we took of the page as we crawled the web. The page may have changed since that time. Click here for the [current page](#) without highlighting. This cached page may reference images which are no longer available. Click here for the [cached text](#) only. To link to or bookmark this page, use the following url: <http://www.google.com/search?q=cache:tpevZJzu2LAJ:www.insightmag.com/main.cfm%3Finclude%3Ddetail%26storyid%3D213410+PROMIS+Trail+%2B+O'Meara&hl=en&client=safari>

Google is neither affiliated with the authors of this page nor responsible for its content.

These search terms have been highlighted: **promis trail o meara**

Insight

ON THE NEWS

SPONSOR

NEWS FOR THE NEWSMAKERS

- [Search Insight](#)
- [Investigations](#)
- [Archives](#)
- [Discuss](#)
- [Sign-up](#)
- [Log-in](#)

[TABLE OF CONTENTS](#)

Issue Date: October 31, 2005

Daily Insight

- [Home](#)
- [Politics](#)
- [National](#)
- [World](#)
- [Features](#)
- [Commentary](#)

[Home](#) > [Investigative Report](#)

PROMIS Trail Leads to Justice

By Kelly Patricia O'Meara

During an eight-month secret investigation in the United States last year by the Royal Canadian Mounted Police (RCMP), two of its top national-security investigators focused their probe on a former high-ranking Justice Department official alleged to have been involved in the theft of the **PROMIS** computer program. Subsequent modifications of this software are believed to have yielded secret backdoor access allowing widespread computer espionage.

- INTERACT**
- [Discussion](#)
 - [Forums](#)
 - [Letter to Editor](#)
 - [Submit a Tip](#)
- MARKETPLACE**
- [Free eNewsletter](#)

In this, the third of a four-part exclusive series, Insight continues to follow Mounties Sean McDade and Randy Buffam as they pursue allegations that Canada's intelligence and law-enforcement agencies have been operating the stolen version of **PROMIS** and that their most secret computer systems have, as a result, been compromised.

- SERVICES**
- [Archives](#)
 - [Search](#)
 - [Site Sign Up](#)
 - [About Us](#)
 - [Set Homepage](#)
 - [Login](#)

Much of the investigation centered on two men - Michael Riconosciuto and Peter Videnieks. The former is a convicted felon who has claimed that he modified a stolen version of the Inslaw-developed **PROMIS**. The latter is the man fingered by Riconosciuto as a high-ranking Department of Justice official involved in the theft of the software.

- LINKSHARE**
- [Suggest a Site](#)
 - [Insight Favorites](#)
 - [Washington](#)
 - [Times National](#)
 - [Weekly Edition](#)
 - [World & I](#)
 - [Middle East](#)
 - [Times](#)
 - [Business](#)
 - [Media](#)
 - [Government](#)
 - [Nonprofits](#)

In Part II of this series (see "The Plot Thickens in **PROMIS** Affair," Feb. 5), Insight took an in-depth look at Riconosciuto and allegations he has made involving **PROMIS** and other national and international intrigue, including development of a new line of guns and night-vision goggles and a joint venture between a little-known band of American Indians called the Cabazons and the Wackenhut Corp., an international security firm. Other trails led to government-sanctioned drug deals and claims that another former Justice lawyer was involved with the Cali drug cartel.

Riconosciuto's stories had been dismissed by federal investigators, but the RCMP unearthed evidence that gave them credibility. What's more, Insight confirmed that Riconosciuto had provided just such startlingly detailed information to an FBI agent well before it had become publicly known.

For the Mounties, whose still-secret investigation continues, each layer they peeled back on Riconosciuto's stories revealed a path to yet more

Sponsored Links

- [Make 688% on Two Stocks](#)
- [Las Vegas Real Estate](#)
- [Bad Credit Home Loans](#)
- [Build a Website](#)
- [Fundraising Ideas](#)
- [Work from Home](#)
- [Travel Insurance](#)
- [Shopping Cart](#)
- [Colorado Health Insurance](#)
- [Free government grants](#)
- [Mortgages](#)
- [Printer ink cartridges](#)
- [Debt Consolidation](#)
- [The Pampered Pup](#)
- [Medical Supplies Equipment](#)
- [Trade Show Displays](#)
- [InkJet Cartridges](#)

Insight Poll

Will Christopher Reeves' death boost partisan stem cell debate?

Yes
 No
 Maybe
 Makes no difference
 Will focus debate on alternativ R & D

Reference

information that might confirm their country's worst fears: that key government computer systems were using stolen software that had been modified to allow complete access for espionage.

In a 1991 affidavit to William and Nancy Hamilton, the owners of Inslaw who had developed **PROMIS**, Riconosciuto not only swore that he put the backdoors into a stolen version of the software but also claimed that Videnieks, the Department of Justice official who in the early 1980s oversaw the **PROMIS**-software contract, participated in the alleged scheme along with a man named Earl W. Brian. Both men, Riconosciuto swore under penalty of perjury, visited him often at the Cabazon/Wackenhut facilities.

As with other Riconosciuto stories, the Mounties looked for confirmation and focused intensely on a U.S. Customs Service internal investigation of Videnieks, a contract specialist who was on loan from Customs. Customs conducted a two-and-a-half-year probe of Videnieks because of suspicion he had committed perjury in 1992 while giving testimony in the trial of Riconosciuto, who had been arrested for drug offenses. In an attempt to enter the federal witness-protection program, Riconosciuto told federal investigators that he was set up on phony charges because of the affidavit he gave the Hamiltons.

Videnieks has denied any knowledge of such schemes, the first time in sworn testimony during the Riconosciuto trial in Tacoma, Wash., in January 1992. Asked if he knew either Riconosciuto or Brian, and if he ever had been to the Wackenhut/Cabazon joint venture or heard of it, Videnieks responded, "No, I don't. i No, I don't. i No, I haven't." Customs soon thereafter launched a far-reaching internal-affairs investigation of Videnieks.

However, it is allegations of government interference in the Videnieks case and contradictory conclusions about the basic facts in the legal saga surrounding the Hamiltons' allegations of official wrongdoing that the Mounties seem intent on clearing up. For instance, in a January 1988 decision by U.S. Bankruptcy Court Judge George Bason (*Inslaw, Inc. v. United States of America and the United States Department of Justice*), the jurist concluded that Justice Department and unnamed U.S. government officials "engaged in an outrageous, deceitful, fraudulent game of 'cat and mouse,' demonstrating contempt for both the law and any principle of fair dealing." These harsh words came at the end of a long trial in which Inslaw had filed for bankruptcy as a result of not being paid for its **PROMIS**-related work for Justice. This work was, in essence, to establish a computer-software system that could track the status of cases in all U.S. attorneys' offices and federal courts.

Justice appealed Bason's ruling and, in November 1989, U.S. District Court Judge William Bryant found in favor of Inslaw, stating: "It is not necessary to duplicate the bankruptcy court's exhaustive findings of fact here. i There is convincing, perhaps compelling, support for the findings set forth by the bankruptcy court i [that] the government acted willfully and fraudulently to obtain property that it was not entitled to under the contract."

End of dispute, right? Wrong. For the Hamiltons the case has yet to be resolved since they have not been paid.

While the Inslaw case wound its way through the courts, Congress also got into the act in the late 1980s as the House Judiciary Committee launched a far-reaching probe of its own. And in September 1992 it issued a report that forcefully stated that "there appears to be strong evidence, as indicated by the findings in two federal-court proceedings as well as by the committee investigation, that the Department of Justice acted willfully and

fraudulently and took, converted and stole Inslaw's ENHANCED **PROMIS** by trickery, fraud and deceit." The reference to "ENHANCED **PROMIS**" was to a proprietary version the Hamiltons had developed that they alleged later was stolen by the government.

The result of the Judiciary Committee report was that in 1993 Attorney General William Barr appointed Nicholas J. Bua to investigate and prepare a report on the Inslaw matter. The results of this investigation, the Report of Special Counsel Nicholas J. Bua to the Attorney General of the United States Regarding the Allegations of Inslaw Inc., found: "There is no credible evidence to support the allegation that members of DOJ conspired with Earl Brian to obtain or distribute **PROMIS** software. There is woefully insufficient evidence to support the allegation that DOJ obtained an enhanced version of **PROMIS** through 'fraud, trickery, and deceit' or that DOJ wrongfully distributed **PROMIS** within or outside of DOJ."

And still another Justice probe, launched by Attorney General Janet Reno when she took office, concluded in September 1994 that the Bua report was correct - there was nothing to the now-convoluted charges that **PROMIS** was stolen and sold illegally or that the Hamiltons were due any monies. Moreover, the Reno report concluded that Riconosciuto's stories were not confirmable and that Videnieks was not involved in the alleged schemes laid out by the convicted felon.

Canada also conducted a probe in the early 1990s and concluded that allegations concerning its use of a stolen version of **PROMIS** were lies. The Reno report affirmed Canada's conclusions as well.

So it was with great surprise that Insight learned last year about the secret RCMP investigation. McDade and Buffam were on the **trail** of **PROMIS** anew and were reviewing all the machinations that have accompanied this exotic story for more than a decade.

It is unclear what sparked the Mounties' probe except that it involves Canada's national security. And of keen interest to the RCMP investigators were Riconosciuto and Videnieks, two men concerning whom the Mounties spent considerable time, money and effort to secure information about their alleged roles in the theft of the **PROMIS** software. In dozens of interviews with those who came in contact with McDade and Buffam, Insight has pieced together the **trail** the Mounties blazed in the United States from coast to coast. Clearly, as they told others, they did not believe the official U.S. and Canadian reports and conclusions. And, McDade reportedly told people many officials in both governments had indeed lied, cheated and covered up a significant and dark story.

Insight has learned the two RCMP investigators plumbed the old Customs probe of Videnieks, the former DOJ official who was investigated for possible perjury. And what the Mounties found, according to some of those they interviewed, very well could confirm Riconosciuto's claim that he knew Videnieks.

For example, months before McDade and Buffam came looking for answers in the United States, they had established a working relationship with John Belton, a Canadian living in Ontario who had become involved with **PROMIS** as a result of a 1980s securities-fraud scheme in Canada allegedly involving Earl Brian and companies he owned or controlled, such as Hadron Inc., Clinical Sciences Inc., Biotech Capital Corp. (renamed Infotechnology Corp. in 1987); and American Systology Inc. Belton's securities-fraud claims resulted in a 1986 RCMP investigation and civil litigation that are ongoing today.

Belton, who met in person with the RCMP investigators at least 31 times

and talked on the telephone with them dozens more, reportedly steered the Mounties to previously unknown information involving the Customs probe of Videnieks. And this led McDade to Scott Lawrence, the agent in Customs' Boston office who was in charge of the investigation of Videnieks. What information Lawrence may have passed along to McDade is anyone's guess, as neither Lawrence nor the Mountie will say. But Insight has confirmed Lawrence and McDade talked. And, based on documents obtained by Insight concerning the Customs probe, the investigation was wide-ranging in its subpoena request.

For example, according to a Nov. 15, 1993, letter to Justice Department Assistant Attorney General John Dwyer from Lawrence's boss, John T. Kelly, Customs' acting regional director in Boston: "Concerning the Peter Videnieks investigation, I believe that to properly complete this investigation, the assistance of federal grand juries in a number of locations will be required." Locations of the requested grand juries included Seattle, the District of Columbia and the Northern District of Illinois. And the purpose of impaneling these grand juries was, according to the Kelly letter, to obtain testimony and documents from about 22 people connected to the Inslaw/ **PROMIS** affair, as well as the CIA and the Wackenhut Corp. How this tied in to a simple case of suspected perjury by Videnieks is unknown.

A former high-ranking federal law-enforcement official told Insight that "Videnieks was under investigation by an internal-affairs unit at the Customs Service and that the investigation, which included other matters, centered on an allegation that Videnieks committed perjury at the 1992 trial of Michael Riconosciuto." According to this source, "Customs' internal affairs ultimately dropped the probe because Videnieks no longer was an employee of the agency."

This former official, who asked not to be identified, further said that Kelly and Lawrence had tried unsuccessfully to get a Boston-based U.S. attorney on the case but failed. Main Justice got involved because of its then-ongoing probe into Inslaw that Reno ordered. Kelly had hoped that main Justice would authorize the requested grand juries but, ultimately, he was told to seek authority elsewhere; impaneling the three grand juries would not be authorized by Washington. Finally, after many attempts, Customs dropped the case because Videnieks no longer worked for the agency.

To Jimmy Rothstein, a retired New York City policeman who worked with Kelly on the Videnieks matter, that's not quite what happened. The investigation came to a dead end "right after Lawrence interviewed Alexander Haig," Rothstein tells Insight. "I was sitting in an Irish pub in Boston with Tim Kelly," he explains, "and we were waiting for the call from Lawrence. The thing got shut down. Tim Kelly responded by saying, 'They ain't gonna screw my guys over.' Nothing ever came of it, though, and I told them this from the beginning."

Why Haig, a former secretary of state, White House official and Army general would be interviewed as part of a Customs investigation could not be established. Haig couldn't be reached for comment.

Videnieks long has denied any involvement with Riconosciuto or Earl Brian, or being involved in any conspiracy or illegal scheme to sell or convert the **PROMIS** software. In a brief telephone interview with Insight, Videnieks recently claimed that he couldn't recall the specifics of the investigation by Customs but warned that Insight "had better get the story right or I'll have my attorneys up to see you."

Because Customs agents Lawrence and Kelly have declined Insight's requests for interviews, it's difficult to know the ins and outs of their probe, let alone what they found to prove or disprove the allegations of perjury.

However, this much is clear: Videnieks' denials never have been contradicted. And, as a result, this key portion of Riconosciuto's claims remains in question. But, as Insight reported in Part II of this series, other Riconosciuto stories appear to have been confirmed by the RCMP investigators and by documentary evidence obtained by this magazine.

This may explain why the Mounties spent so much time on the portions of Riconosciuto's claims involving Videnieks. If they could show the alleged links did exist, that might begin to unravel a string of deception that could lead to the highest levels of the U.S. and Canadian governments. Belton kept copious notes of the conversations he had with the RCMP investigators. In one such note, dated June 8, 2000, Belton wrote that McDade told him "the 'Drug Tug' captain Calvin Robinson was the Videnieks driver to the Cabazon - ties to Earl Brian and Michael Riconosciuto."

This was followed by a June 16, 2000, notation about McDade informing Belton that "they [McDade and Buffam] have determined a second material definitive connection between Peter Videnieks and Michael Riconosciuto. i 'Drug Tug' captain Calvin Robinson - Videnieks has always denied an association with Michael Riconosciuto. I confirmed it, I can put Videnieks with Michael Riconosciuto now."

The reference to the "Drug Tug" concerns the 1988 seizure of a barge hauling 157 tons of hashish and marijuana into San Francisco Bay. The skipper of the boat was Calvin Robinson, a man who long has maintained that he and his company were the victims of a government setup. According to Belton, "Sean told me that he interviewed Calvin Robinson and that Robinson was the driver for Peter Videnieks to the Cabazon Indian Reservation."

This is about what McDade also told Inslaw's Bill Hamilton in one of many conversations, also noted for the record. "McDade said that he could prove that Videnieks committed perjury when he testified against Riconosciuto, that he had interviewed the man who drove Videnieks to the reservation," Hamilton recalls.

Then there's Harry Martin, a journalist with 32 years of experience, publisher of the weekly Napa Sentinel and is a city councilman in that picturesque California township. He recently told Insight that, in the process of doing preliminary work on Riconosciuto years back, "I spoke to Peter Videnieks in either 1990 or 1991 - before Michael had been arrested - and Videnieks admitted that he knew Riconosciuto." Martin also says that he spoke to Riconosciuto prior to the now-infamous March 1991 affidavit given to Inslaw outlining alleged illegal schemes and before the now-convicted felon was arrested on illegal drug charges.

Martin says he was interested but wanted to check out individuals Riconosciuto had mentioned he'd known to verify the man's general veracity. "That's how I got to Videnieks," Martin says. "I just called the guy up and asked him if he knew Riconosciuto and he said yes, he did. That was before his [Riconosciuto's] arrest."

If accurate, this places Videnieks on a collision course with what he has testified under oath and in sworn statements to federal investigators. It also gives credence to one of the wilder aspects of another Riconosciuto story which the RCMP spent considerable time tracking down. Because Videnieks is a central player in the Hamiltons' allegations that the DOJ stole their software, whether Videnieks did know Riconosciuto is key to connecting the two men to the Cabazon Indian reservation, where Riconosciuto claims to have modified the software.

If McDade's statements to Belton and Hamilton are true and Martin's recollections of his conversation with Videnieks are correct, it would appear the connection has been made. In turn, it could revamp not only the Inslaw case in the courts and in Congress, but it would raise complicated issues in Canada where the RCMP probe continues. When and how the Mounties' investigation will end is a mystery. But this much is certain: It is having reverberations in security circles around the world.

To be continued.



[Email Story to a Friend](#)



[Printer Friendly Version](#)

Powered by [Broadband Publisher](#)

Copyright © 1990-2004 News World Communications, Inc.

[Editorial Feedback](#)

[Website Feedback](#)

[Horseback Riding Trail](#)

Experience the land from a saddle. Book your horseback adventure now.

[Gunflint Trail Lodging](#)

Saganaga Lake, the end of the Trail Fish, paddle, hike and relax at VCO

[Unlimited Outdoor Trails](#)

Free to browse unlimited trails
Free to download any trails

[Mclendon Hills](#)

Equestrian & Lake Community in NC with a 24-stall equestrian facility

Ads by Goooooale