

FRAUD PROBE

FBI arrests exec in Amerifirst case

Warrant alleges
Bruteyn was about
to flee to Europe

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FBI agents arrested civil fraud defendant Jeffrey C. Bruteyn at his home Wednesday morning in the Lakewood neighborhood of Dallas on a warrant alleging he lied on a passport application.

Mr. Bruteyn was planning to flee the country for Europe, according to the arrest warrant issued in the federal Eastern District Court of Pennsylvania.

Mr. Bruteyn ran Dallas-based Amerifirst Funding Inc., a finance company linked to used car dealerships that the Securities and Exchange Commission accused last July of fraud. In its lawsuit, the SEC alleged Amerifirst sold \$55 million of risky investments to elderly residents of Texas and Florida, and that Mr. Bruteyn and others used the funds for a lavish lifestyle of cars, homes

and travel.

As part of the civil investigation, Mr. Bruteyn handed over his passport to federal authorities in September. According to the warrant, he applied for a new passport in Philadelphia in October, declaring that his original passport had been lost.

FBI recordings of Mr. Bruteyn's phone calls suggested he would flee the country this month, according to the warrant.

Mr. Bruteyn also faces a civil contempt charge in the Amerifirst case that requires him and his mother to pay back \$231,000 to the court-ordered receiver who's trying to reimburse investors.

The ruling said the money, which came from the sale of a purported Picasso painting, belonged to the receiver. Mr. Bruteyn already faced arrest if he doesn't comply within 30 days of the Feb. 1 order by U.S. District Judge Sidney Fitzwater.

Mr. Bruteyn will face a hearing Monday to answer the charge of lying on a passport application.