

Cerberus Info: Connecting the Dots

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Steven Feinberg was born into a middle-class family in New York. His father was a steel salesman. He attended Princeton, studying political science (**not** finance). He captained the tennis team but did not otherwise distinguish himself. In 1982 he went to work as a trader for Drexel-Burnham, which is known for the junk bonds they sell. Another sideline of their business is the laundering of drug money, but they are hardly unique in this respect.

After 10 years Feinberg started Cerberus Capital Management in 1992 with William L. Richter. Richter's name does not appear much except that he was apparently an executive with Rent-a-Wreck company. Cerberus was capitalized with \$10 million, which is a very modest amount. The name comes from the mythical dog that guards the gate of hell to stop people from escaping.

About this time Feinberg teamed up with **Jacob Ezra Merkin**. Merkin had graduated from Columbia *summa cum laude*. His father, Hermann Merkin, was a banker and president (and founder) of the 5th Avenue Synagogue, one of the most prosperous synagogues in the country. Jacob took over as President.

Jacob Merkin presented himself as an investment guru. In fact, he was terrible at handling money, but he was a superb salesman. With his access to the movers and shakers in New York Jewish society and his status as synagogue president, he was soon selling shares in three funds he set up. Most of the money from these funds was turned over to Bernard L. Madoff Investment Securities for investment, but some was given to Cerberus. Madoff was the national treasurer of the American Jewish Congress.

Merkin also had another talent – he was an accomplished money launderer. Much of this was done through an Israeli bank. **Bank Leumi** was originally created at the direction of Theodore Herzl, the founder of political Zionism, as a financial agency for the various schemes the Zionists were using to acquire land in Palestine. Herzl's successor was the first chairman of the bank.

Here are some notes about Bank Leumi from the 1978 book, Dope, Inc. :

Antwerp's diamond cutting and related trade is financed by the Banque Bruxelles-Lambert, controlled by the Lambert family, the Belgian cousins of the Rothschilds. **Israel's (and also New York's) diamond business is financed by Bank Leumi.**

Within the individual centers, dealers trade among themselves on such exchanges as the New York Diamond Dealers Club, the Ramat Gan in Tel Aviv, and the Antwerp Diamond Bourse. No written records are kept of any transactions on these exchanges; the agreements are sealed with a handshake. **No aspects of this trade are available for scrutiny by law enforcement agencies**, even under American law, before the diamonds reach the jewelry store level.

Hong Kong's own substantial wholesale diamond market is the virtual monopoly of the Union Bank of Israel; this bank is wholly owned by Israel's largest finance house, Bank Leumi. Bank Leumi, in turn, is under the control of Barclays Bank, on whose board sits Harry Oppenheimer and the Oppenheimer family itself. Bank Leumi's own chairman is Ernst Israel Japhet, of the Charterhouse Japhet family whose fortune derived from the official British opium trade during the nineteenth century!

The top Israeli purveyor of weapons to the Central American dictatorships is one Shaul Eisenberg, who operates behind a myriad of trading company fronts, of which the best known is "United Development, Inc." with headquarters in Panama. Eisenberg is the

world's largest supplier of assassination weapons, as well as the “godfather” of the Israel Aircraft Company, the manufacturer of Israel's Kfir fighter plane.

According to the Washington Post of September 11, 1978, he is also one of the most senior operatives of the Israeli secret intelligence, the Mossad.

With specializations in the Far East and Latin America, **Eisenberg runs the Zurich Mossad station, under the day-to-day control of the Zurich branch of Bank Leumi and the personal direction of a Swiss-based member of the Oppenheimer family.** Apart from the arming of such entities as the Somoza dictatorship of Nicaragua, the capabilities of the Eisenberg operation include Israel's main illicit connections to the Far East, where Eisenberg spent World War II, and a significant portion of wholesale drug transshipments across the Mediterranean route.

And from Eustace Mullins, The World Order (1985):

In Paris, Banque Rothschild directors include Elie de **Rothschild**, director of New Court Securities, **Banque Leumi de Israel**, Five Arrows Fund N.V. Curacao.

Bank Leumi was taken over by the Israeli government after a bond scandal, but it was re-privatized in 2005 under Benjamin Netanyahu, who was then finance minister.

Recall that Cerberus was started in 1992 with \$10 million in capital. By 2005 (or 2007?) they had purchased 80% of the stock in Chrysler Corp. Merkin's Gabriel fund invested \$79 million in Chrysler, \$66 million in GMAC and \$67 million in Cerberus partnerships, according to year-end statements.

Then in 2006 they bought 51% of GMAC stock, a controlling interest. General Motors Acceptance Corp. is a lending institution designed to make it easy for customers to purchase GM products. But apparently they still had money to spare, as they purchased 10% of the stock in Bank Leumi, with an option for another 10%, which would have given them controlling interest.

The manner in which this was done is very interesting. According to the 2007 annual report for Bank Leumi, the money came from a shell corporation in the Netherlands that was wholly owned by another corporation in Luxembourg, in which Feinberg and Merkin were the beneficial owners.

On 15 November 2005, the Bank was informed by M.I. Holdings Ltd. ("MIH") that, further to the procedure for the sale of up to 20% of the shares of the Bank held by the State, which was published by the Accountant-General of the Ministry of Finance and MIH on 14 September 2005, Barnea Investments B.V. ("Barnea") had been chosen as the preferred bidder. **Barnea was incorporated in the Netherlands, and is a wholly owned subsidiary of Barnea S.A.R.L., which was incorporated in Luxembourg, and which is held jointly and indirectly by Stephen Feinberg and Ezra Merkin,** through the Cerberus and Gabriel private investment fund groups which are controlled by Mr. Feinberg and Mr. Merkin respectively.

The sale was completed on 24 November 2005 (the "Closing Date"), when Barnea paid some NIS 2.474 billion for 9.99% of the Bank's share capital (NIS 17.51 per share), together with interest, a total of some NIS 2.475 billion.

Source: <http://english.leumi.co.il/static-files/Media%20Server/BLITA%20English/PDF%20files/Financial%20Statements/10001074e.pdf>

Obviously Cerberus had found one or more financial backers who needed to be hidden behind the bank secrecy laws of Luxembourg, Switzerland and Israel. In fact, Bank Leumi has major branches in both

Switzerland and Luxembourg.

Demise of General Motors

Once Cerberus had control of GMAC, Merkin was installed as chairman, and they proceeded to use an old Rothschild trick: tightening the money supply. They raised credit requirement to the point where it was difficult for customers to buy GM cars, and they used this to force people to sell shares to them. The intention was apparently to merge GM and Chrysler, but it had a disastrous effect on GM sales.

Cerberus invested in some ex-government pull pedlars, Dan Quayle and John Snow, and apparently this paid off, as Chrysler was bailed out with \$4 billion of taxpayer's money, much of which went directly to Cerberus.

Eric A. **Feldstein** was appointed treasurer of General Motors in 1997. In June 2001 Feldstein became GM Vice President, Finance. Eric is the son of Donald Feldstein, who was reportedly (by Bollyn) the executive director of the **United Jewish Appeal** from 1976-81. The chairman of New York branch of this organization, until recently, was **Larry Silverstein**.

In July, 2001, GMAC Commercial Mortgage provided \$800 million in funds for Silverstein to purchase the World Trade towers from the New York Port Authority. The director of the New York privatization program was Ronald Lauder, who has very close ties to Israel's intelligence agency, the Mossad, e.g. the Lauder School of Government Diplomacy and Strategy, Mossad's private university in Herzliya, Israel.

George Richard (Rick) **Wagoner** became president and chief executive officer of GM on June 1, 2000. At that time GM stock was selling for \$70 a share. In May, 2003 he was elected Chairman of the GM Board of Directors. At that time the stock was selling for \$35 per share. GM had lost half its capital value, yet the person responsible was promoted.

The article by Chris Bollyn (http://www.bollyn.com/index.php#article_11148) does a good job of documenting how Feldstein, Merkin, Feinberg, and GM president Rick Wagoner destroyed General Motors. To this I would add the following:

1. Even with funds being illegally diverted from Bernard Madoff's Ponzi scheme, there was too much money in play to assume this was the source of these major investments by Cerberus. It seems very likely that money was being pumped into the fund through untraceable Swiss and Luxembourg accounts.
2. The people funding Cerberus had to know the GM investments were a losing proposition. And yet they continued to hold stock and buy more. Therefore they were not motivated by a desire for profit.
3. Feinberg is obviously a shill. Look at his photo. How else could a person like this, with no training in finance, start a fund in 1992 with \$10 million, and have several billions in the fund fifteen years later?
4. There are only a few entities who have pockets this deep, and who are not motivated by immediate financial gain. Certain banking families, Zionist organizations, and the Chinese government. Of these, the Chinese had the most to gain, and they had a large quantity of Federal Reserve notes to spend.

Cerberus Buys into the U.S. Armaments Industry

Having destroyed General Motors and finished off Chrysler, Cerberus turned to other investments. It

spent \$2 billion for a paper company and closed down a factory employing 800 workers. In April 2006 they purchased Bushmaster Firearms in Windham, Maine from Dick Dyke. A year later they purchased Remington Arms. That company had been purchased by a firm of chartered accountants who had no idea how to run the business. Cerberus, with their government contacts, saw an opportunity.

They closed down the Bushmaster factory and began manufacturing Bushmasters at Remington. Dick Dyke, in his 80's by now, stepped in and re-hired all his former employees in a venture he calls Windham Weapons. This is a business to be patronized if possible.

In August 2007 Cerberus used Bushmaster to purchase Cobb Manufacturing, a maker of large caliber rifles. Then in December they acquired DPMS Panther Arms. Continuing this Pacman-like string of acquisitions, they used Remington to purchase Marlin Firearms in January, 2008.

Cerberus had hired former Vice President Dan Quayle and former Secretary of the Treasury John Snow, and in 2009 this investment paid off when the company received **\$4 billion in bailouts** for Chrysler. See: <http://blogs.wsj.com/deals/2009/10/19/a-dossier-on-cerberuss-freedom-group/>

Advanced Armament Corporation, a manufacturer of sound suppressors, was purchased in October 2009. All these companies were combined into an organization called the Freedom Group (you know how things are named the opposite of what is intended.)

In April 2010 Cerberus purchased DynCorp International, a major defense contractor.

Cerberus has evidently hired the NRA to be their publicity agent. The NRA sings their praises and tells everyone what an awesome hunter Stephen Feinberg is.

At present the Freedom group has these holdings:

Remington Arms	LC Smith
Bushmaster Firearms International	Parker
DPMS Panther Arms	AAC Advanced Armament Corporation
Marlin	Barnes Bullets
Harrington & Richardson Firearms	EOTAC
NEF	INTC
Dakota Arms	

Cerberus manages \$20 billion in assets. In contrast, the US. firearms and ammunition industry turns over \$4 billion in sales per year.

Comments

Cerberus has shown itself to be actively hostile to U.S. interests. It is funded through secret bank accounts in tax havens. Despite losing a great deal of money in the GMAC purchase, its capital has increased from \$10 million to \$20 billion in 20 years, an increase of 2,000%, or 100% each year, not compounded. It has a history of (unprosecuted) fraud and association with money launderers. It may be funded by one or more nations who have hostile intentions toward the U.S. And it is run out of New York City, a major center of gun control initiatives.

How is it that a major defense contractor (Dyncorp) can be owned by a holding group (Cerberus) that is funded through secret bank accounts? Don't they do security clearances anymore?

There are some connections with international arms trafficking and foreign intelligence services that should be investigated further. Are weapons and ammunition from the "Freedom Group" being furnished to Al Queda "insurgents" in Syria, Libya and elsewhere?