

Written by

Friday, 25 January 2013 18:20 - Last Updated Sunday, 27 January 2013 14:33

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By JOSEPH G. LARIOS

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**Contemporary History in the Making: Alleged Filipino Swindler Returns to the Scene of the Crime, Is Arrested at the L.A. Airport**

CHICAGO (*FAXX/jGLi*) – Eminiano A. Reodica, Jr., better known as Jun Reodica, and popular among the well-heeled Filipino Americans and visiting Filipino stars and politicians in the mid- to late-eighties in the Los Angeles, California area, was enjoying his retirement in Cairns, Queensland, Australia.

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Until last November, when he made a bad decision of attending a wedding as a sponsor in Canada by making a stopover at Los Angeles International Airport in California, the place that he avoided like a plague during the last 19 years.

Jun Reodica did not know that a non-US passport holder arriving in any port of entry in the United States will now have to undergo “fingerprinting and retina and photographic capturing.”

Instead of skirting the United States en route to Canada by way of any South American or European international airport, Jun ran right smack into the waiting arms of the U.S. Federal agents when his “fingerprints made hits” and he was arrested as soon as he presented his Australian passport under a new name – Roberto Coscolluela.

“He did not resist. He meekly cooperated,” an assistant United States Attorney prosecuting the case and who is not authorized to discuss the case with the media told this reporter. “His fingerprints matched with his pending warrant of arrest.”

Reodica, about 68-years old and a native of Laguna province in the Philippines, is facing 51 counts for bank fraud and false statements on loan applications before the U.S. District Court of Central California in

Los Angeles

. If he will be convicted, he will serve a maximum of five years in jail for each count. He will likely end up serving a maximum of 255 years in jail.

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Jun Reodica is known to have hosted prominent Filipino visitors to Los Angeles, CA, including then Jaime Cardinal Sin (now deceased), Filipino generals who served then-President Fidel Ramos. He also hosted the visit to Los Angeles of then-Defense Secretary Fidel Ramos. Mr. Reodica was accompanied by his second wife, Leticia Coscolluela, and their stepdaughter, who was not identified, when they checked in at the LAX port of entry at 2 p.m. on Nov. 28, 2012.

## **REODICA'S DIVORCED WIFE'S RELATIVE SPEAKS**

A Chicago-based relative of Reodica's first wife, Hilda Hilao (who obtained a divorce after her husband fled to the Philippines) told this reporter that Jun is a good and polite man. But his decision to even set foot in the U.S. soil was a tactical-and-tragic mistake. He could have just sent money to his grandchildren and let them visit him in Australia if he really wanted to see them.

Los Angeles-based community activist Bobby Reyes says that apparently he is the only Filipino

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writer in the entire world who has kept alive the misadventures in California of Jun Reodica.

Local media organizations, including the

*Los Angeles Times*

, ceased to write anything about the alleged illegal activities of Jun Reodica after he (Mr. Reodica) fled

Los Angeles

in 1988 apparently to

Manila

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Philippines

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**Editor's Notes:** 1.) To read Bobby Reyes' write-up of his coming book (together with some co-authors) about Mr. Reodica – including his manuscript that his then-publisher refused to print two months before the alleged swindler left Los Angeles in 1988, please read:

[Unmasking the Rich and Infamous Among Filipino Americans](#)

URL: <http://www.mabuhayradio.com/history/unmasking-the-rich-and-infamous-among-filipino-americans>

2.) To view the latest photo of Mr. Reodica taken in Australia and read the criminal indictment filed against him by the U.S. Federal Government, please go to:

[Copy of Indictment against Accused Filipino Swindler Jun Reodica](#)

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URL: <http://www.mabuhayradio.com/other-news/copy-of-indictment-against-accused-filipino-swindler-jun-reodica>

Jun Reodica is due in court on March 12, 2013, at 9 a.m. before U.S. District Judge S. James Otero of the Central District of California in Los Angeles to try him and his associate, Danilo L. De Castro, for their long-pending indictment returned by a Grand Jury in October 1993 that charged them with scheme to defraud Banks and Savings and Loan Association; False Statement in Application for Credit; and Causing an Act To Be Done and Aiding and Abetting.

According to indictment records, Jun Reodica was the owner, principal shareholder, president and chief operating officer of Grand Wilshire Group (GWG) of Companies, a group of businesses engaged in the retail sale and financing of vehicles. Its operations include two car dealerships and three finance companies based in Glendora, California.

Danilo L. De Castro was the inventory manager of GWG.

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GWG operates in 25 locations in California, offering customers opportunities to finance the purchase of a vehicle thru a car loan from GWG called "Motor Vehicle Contract and Security Agreement (MVCSA)."

The MVCSA required car-buying customer to make monthly loan payments of principal and interest to GWG usually for five years. GWH held title to the vehicle until the customer completely paid off the loan. When the customer failed to make the required payments, GWG would repossess the vehicle.

## **FEDERALLY INSURED FINANCE COMPANIES**

To finance its operating expenses, GWG, thru its finance companies, obtained lines of credit from a number of financial institutions, including Union Bank, First Los Angeles Bank, Dai-Ichi Kangyo Bank of California, Manilabank California, First Central and Philadelphia National Bank, all banks whose deposits were insured by Federal Deposit Insurance Corporation; Imperial Savings Association, whose deposits were insured by the Federal Savings and Loan Insurance Corporation; Heller Financial, Inc., General Electric Capital Corp., in Delaware and New York, respectively.

In or about August 1988, Mr. Reodica directed GWG employees to prepare a monthly

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“Preliminary Delinquency Report,” showing payments made by GWG customers under the MVCSA and identifying any delinquent contracts.

But Jun Reodica told his employees to conceal actual delinquency rate by using GWG funds to “front” the payments owed by GWG customers under the delinquent contracts.

The funds used to make “fronted payments” came from the cash down payments of customers buying vehicles from Grand Chevrolet Inc., one of GWG’s car dealerships. These cash payments were deposited into the bank accounts for the lenders, used to buy money orders and deposited to delinquent owners’ bank account lenders and issued checks in amounts owed by delinquents customers misrepresented to lenders as checks from customers.

Between March 1984 and Aug. 1988, Jun Reodica caused GWG to front payments on 4,000 delinquent Motor Vehicle contracts that were pledged to lenders as collateral on their respective credit lines to GWG.

At the same time, Mr. Reodica also made false statements to a federally insured financial institution, such as Imperial Savings, to influence actions on a credit line, with the use of false monthly “Aging Reports,” concealing delinquent payments by GWG customers.

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Mr. Reodica also altered around 400 TRW credit reports containing negative credit information submitted to Imperial Savings so customers could buy cars and use monies from Imperial Savings.

When customers were delinquents in their payments, Mr. Reodica repossessed the vehicles but did not report the delinquency to the lender and resold these vehicles without disclosing the resale to the lenders still holding the Motor Vehicle Contracts.

He would assign a new Motor Vehicle Contract for the resold vehicle to a lender as collateral on a credit line, without disclosing the existence of the first Motor Vehicle Contract for the same vehicle.

Even though there were no longer any payments owed under the first Motor Vehicle Contracts due to the repossessions, defendant Reodica directed GWG employees to use GWG funds to make monthly payment under these contracts so as not to alert the lenders to the fraudulent scheme.

## **DOUBLE-PLEGGED CARS**

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This is called “double-pledged” as collateral even though the credit lines were not protected by adequate security in the event of default.

Approximately 392 vehicles were “double-pledged.”

The indictment also accused Reodica and De Castro of instituting a stock purchase and investment program at GWG known as the “Employee Loan Investment Program” (ELIP). Under this scheme, they asked their employees to apply under false statements for at least \$10,000 loan to purchase a car in exchange of a GWG stock certificate of an amount equal to the loan.

GWG was supposed to pay for the loan taken from Union Bank, DKB, First Central Bank and Imperial Savings. But the loan went to the “operating capital of GWG,” not for the purchase of the car.

The cars were never given to employees and they remained in the GWG’s inventory for sale.

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It was reported that at one time, the GWG employees numbered up to 600.

According to the *Asian Journal*, as written by its reporter Joseph Pimentel, when GWG declared for bankruptcy, "it racked up as much as \$200 million in debt, with \$43 million owed to individual investors. Tens of millions of dollars remain unaccounted for."

Reached for comment, Emir C. Abinon, believed to be the only Filipino-American car dealer in the Midwest, said, "I'm sorry, but I don't think I have heard of nor met (Jun Reodica) before. I read the story and find it disheartening that so many people were deceived of their investment. It's a classic case of greed on both sides. I'm not sure this impacts the Fil-Am auto industry anywhere other than maybe California."

Mr. Abinon is the president/owner of Fox Valley Automotive Group based in Chicago's suburban St. Charles

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Illinois

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Mr. Reodica was a summa cum laude graduate of a bachelor's degree of Manila's University of the East.

During his detention hearing, Mr. Reodica said he left the U.S. in 1988, six years prior to filing of indictment, "for fear for his physical safety as well as the physical safety of his wife and children" from angry car buyers and investors.

In 1990, Mr. Reodica went to Australia. He met his current wife, Leticia Coscoluella, at Cairns, Queensland

. They married on  
July 3, 1993

. He became an Australian citizen on  
Sept. 1, 1992

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