



Press Release: March 21st, 2018

ARCA CEO Unveils Abuse of Power and Civil Rights Violations by New Mexico Agents

This Press Release is made with the intent to address attention to the abuse of power and civil rights violations of New Mexico Securities Division (NMSD) and Department of Homeland Securities (DHS) Las Cruces, New Mexico agents in the case of Dumitru Popescu, ARCA Space Corporation CEO. This Press Release has two disclosure videos attached, an introduction (Video 1) and the evidence (Video 2), as we can see at the in the links below:



Direct download links:

Video 1: www.arcaspace.com/transfer/Popescu_Intro_720p.mp4

Video 2: http://www.arcaspace.com/transfer/Popescu_Full_Video_720.mp4

What is ARCA: <https://youtu.be/BJGDOX6eRRY>

Note: Due to the size of Video 2, please look at the end of the press release for the timestamp, also available on YouTube in the video description.

On October 24th, 2017, when Dumitru Popescu was returning from a trip from Europe to the US, he was arrested when he landed in the Atlanta airport. At that point, ARCA was only a couple of weeks from starting the tests of an advanced aerospike rocket engine at Spaceport America.

The airport authorities told him that there was an arrest warrant in his name issued by the NMSD, with accusations of securities or stock fraud. He signed a waiver of extradition to be transferred to New Mexico and in total he spent more than one month in jail awaiting transfer and bail. **Popescu eventually learned that he was lied to and the arrest was performed not with a warrant**, but a warrantless arrest affidavit, being charged as a fugitive from justice. The NMSD filed the charges against him on October 24th, 2017 at 9:18 local time, while he was boarding from Paris in an Air France flight, traveling via Atlanta, GA on his way back to New Mexico.

The case initially started not from complaints from investors, but because Dumitru Popescu's second former wife, a US citizen with whom he was married for only 6 months between 2016 through 2017, went to the NMSD and told the investigators a number of false statements, such as that he was planning to steal investors' money, rob the Government and ship money outside the US.

She also indicated to them the existence of an ARCA ex-Director of the Board, Mr. Michael Persico, the CEO of Anova Technologies from Chicago, who she believed was allegedly defrauded by Popescu. Starting from this type of information the Las Cruces NMSD and DHS agents started to build their case, believing his former wife and didn't appear to question whether the fact that she was his estranged wife might lead her to have ulterior motives.

Mr. Michael Persico, the CEO of Anova Technologies, an ex-Director of the Board of ARCA Space who performed questionable business actions during his term, abundantly lied to the agents on multiple accounts, as he is the exclusive owner of preferred stock in ARCA, having priority over common stockholders to proceeds from asset sales in the event of liquidation proceedings. **An intriguing fact is that both, Popescu's former wife and Mr. Persico lied to the NMSD and DHS agents about Popescu, claiming that he would run away from US and he also ran away from Romania.**

Based on the same allegations, **the FBI did come and talk to Popescu and chose not to pursue the case.** Sadly, instead of following similar procedures, the NMSD and DHS agents decided not to come talk to Popescu for any clarifications prior to filing charges but they started calling former ARCA employees to see what they could find. Even after Mr. Popescu personally contacted the NMSD and alerted them he was aware of a possible investigation and offering them the opportunity to discuss. In spite of this, the NMSD agent denied that such an investigation existed, and he continued with what can only be described as a witch hunt, that even included silly things such as visiting ARCA undercover, disguised as a disabled investor, and the result of such endeavor was, a completely false charge.

Based on false allegations, as opposed to statements from ARCA engineers, technicians and investors they interviewed, the two agents exhibited abuse of power and rights violations, by:

1. Creating false charges:

- The NMSD agent disguised as a disabled investor recorded Popescu and asked him if he has contracts with the government. Popescu answered "Yes...for the ArcaBoard, with the Department of Defense". The NMSD investigator transcribed the audio recording wrongfully and charged the ARCA CEO by saying that Popescu claimed to have three contracts with the Navy, Air Force and the Army;

- The NMSD agent charged the ARCA CEO by alleging that he lied about ARCA having partnerships with NASA in spite of ARCA partnering with NASA Kennedy, Ames, Johnson, Stennis, Marshall Space Centers for the ACO program;

- The NMSD agent charged Popescu alleging that the ArcaBoard and the Defiant drone are not flying as depicted in the videos and the videos are altered, in spite of ARCA's engineers telling the investigator that the videos are not altered in any way;

- The NMSD agent charged the ARCA CEO alleging that Popescu took in cash amounts of around \$42,000.00, in spite of him never doing this, as the agent could have seen, by having access to ARCA's bank accounts.

2. Performing a potential false arrest:

- **The arrest warrant didn't exist and Popescu was lied to about its existence;**

- **Popescu was charged as fugitive from justice while he was in a plane over the Atlantic, and landed in the US coming from Paris, a few hours after he was charged;**

- **The prosecutor told to the Judge in court, looking through his documents, that he can't find the arrest warrant and it should be in there, in spite of not having a warrant at all.**

3. Abusing their power by intimidating Popescu and his family:

- Popescu was told by DHS agent in front of witnesses: "**You are mine**", "**I own you**", "**You don't exist**", "**You are not allowed to speak**";

- Popescu was told by DHS agent on the phone: "**It doesn't matter what your lawyers are saying, the law is the law...you don't have the right to a work permit in US because you don't exist**", endangering even the very livelihood of Popescu;

- Popescu was told by DHS agent in front of witnesses: "**I canceled your DARPA contract**" for the ArcaBoard technology;

- Mr. Popescu's colleague, and shareholder in the company, Simona Popescu, was

approached in the court's corridors by the DHS agent who told her, in presence of witnesses: "**I will arrest you if you go to ARCA, do you understand me?...ARCA, doesn't exist, never existed. ARCA and Popescu will be out of the US forever**", etc.

4. Expressing racial and prejudicial biases:

- When the DHS agent was interviewing Popescu's former wife he was telling her and the other NMSD agent that Popescu and his mom's behavior "**Sounds like Gypsies**" and he approved Michael Persico's statement saying: "**He is Romanian, he doesn't know the difference between the FBI, Army, State,**" etc.

5. Questionable professional behavior:

- The DHS agent was instructing his ex-wife to give away his property and asking her for his iPad despite them not having a search warrant;
- Discussing with Mr. Michael Persico details of an FBI investigation on Popescu (that was dismissed by the Bureau);
- Misleading the witnesses on multiple accounts and disclosing details of the FBI interview to Popescu's former wife, in an attempt to mislead her.

6. Doing what sounds like a collusion with Mr. Michael Persico:

- Inviting Mr. Michael Persico to indicate what charge to be placed on ARCA's CEO and discussing together the plan of Popescu's arrest and deportation, before any charges were brought against Popescu:

- Persico: "*Because the feds have passed on carrying this torch...*"
- NMSD Agent: "*The FBI passed.*"
- Persico: "*Does it mean that the option of precluding him from leaving the country also has left the building?*"
- DHS agent: "**No we're going to try to get him deported at some point, but we want him to serve some jail time.**"
- Persico: "*If I were him, and all of a sudden, you know, charges were brought, I would just leave the country...*"
- DHS Agent: "*...We talked to our management to see how they want to do that. **We might take them into custody first and then get them indicted with the State. And if he gets a bond then we take him back into custody and see where it goes. I think we can keep him in custody according to our attorneys.***"
- After Popescu's release from jail, the DHS agent advised Popescu to: "**Sell ARCA to Michael**";

Note: All this evidence, and much more, based on audio recordings from the NMSD are presented in the two videos.

It took almost 2 months after Popescu's initial arrest on October 24th, 2017, for Popescu to receive the NMSD evidence against him, the State apparently not being ready to support their charges, as they continue to search for supporting evidence even to this day. Popescu's case continues to move at a snail's pace, in a game of attrition that has significantly hurt ARCA and Popescu's well-being.

Initially the prosecutor verbally transmitted to Popescu's lawyer that if he makes restitution in the range of around **\$1 million his case will be settled**. After Popescu submitted just part of the exculpatory evidence, **the prosecutor immediately sent an official deal to his lawyer, indicating that the amount dropped to around \$74,000 and 3 years' probation but once again repeated what was originally indicated as the intention of the investigators, that he wants to throw Popescu out of New Mexico. Popescu rejected the deal, as he considers himself completely innocent**, also aware of the plot to have him deported in the state evidence interviews, something which may be aggravated by agreeing to any frivolous charge. **Questions arise whether the prosecutor is overstepping his legal reach in devising a plea bargain deal with a punishment of deportation based on securities charges, an attempt to bypass the legal system and combining two completely different issues, immigration and securities.** The parties involved appear to be exploiting the situation of an immigration matter

that was in transition where Mr. Popescu did not have adequate time to adjust his legal status. Despite him having prior achievements such as the ability to design, prototype and launch aerospace products such as various rockets and the ArcaBoard, a product that was awarded a DARPA contract, a prestigious achievement among others, the agent rushed to file frivolous charges, suspended his visa, and is now using this situation against him.

The DHS agent was either lying and bullying Mr. Popescu or misinformed claiming the company was initially formed on a B1 visa and that it's illegal to do so, even though establishing a business on a B1 visa, or without a visa at all, is perfectly legal. The NMSD agent was still calling investors as recent as 2018 and claiming ARCA was set up illegally, a blatant and ridiculous lie, hurting the investors and the employees of ARCA Space Corporation.

It took 17 years of hard work to bring ARCA to the point it was prior to moving to the USA in 2015, initially welcomed to New Mexico by Governor Susana Martinez, and took a tremendous amount of effort, sacrifice and time to successfully move and adjust an aerospace company and its assets from Europe to the USA, dealing with different regulations and challenges. While ARCA successfully transitioned to becoming a US Corporation, it appears the State did not wish to extend its CEO the same opportunity.

Five months have already passed since the agent from DHS secluded Dumitru Popescu from his family after harassing family members when they visited and left the US, and the situation created prevents him from earning income or interacting with his company as necessary, while at the same time the State is forcing Popescu to stay in Dona Ana County, in a situation where he has no income to live or to try to help ARCA continue its duties. This has placed a tremendous amount of financial stress on Mr. Popescu as well as ARCA, since the placement of frivolous charges led to the cancellation of a military contract with the Defense Advanced Research Projects Agency (DARPA), critical revenue needed by ARCA. This situation could not continue without speaking out.

Dumitru Popescu wants to be very clear that this unveiling of facts is made to show questionable behavior that the two agents from the NMSD and DHS performed during this investigation that led to placing him in a situation that he believes is a violation of law and human rights, and absolutely detrimental to international business.

Mr. Benjamin Schrope, the same person that is the director of NMSD and approved his agent to press a number of false charges against Popescu, is also the prosecutor in his case.

Because of this, along with additional facts revealing that the legal process appears to have been undermined from the beginning, including the fact he knowingly approved false charges and charges without sustaining evidence, overlooked rights violations performed by the agents, and because the prosecutor demanded Popescu should leave New Mexico as part of a plea bargain deal for securities charges, not immigration, Popescu does not believe he has been receiving a fair process and cannot receive a fair process under these circumstances, and considers it is his duty and right to disclose these things.

Popescu is also calling on the support of any civil rights attorneys that are willing to help him deal with this situation.

Popescu thinks that this situation could not continue, and the authorities already alerted, such as the FBI, US Attorney, United Nations, The European Commission, civil society, and any other parties of interest, must look into this and see if what is presented constitutes violations or not.

[Video 2 Timestamp \(also available on YouTube in the video description\).](#)

0:00:00 – Introduction and overview
0:01:40 – Listed as "Fugitive from Justice" while returning to U.S.
0:03:49 – Warrantless arrest

Part 1: Main Witness – Popescu's Former Wife

0:03:59 – Involvement of my second former wife (not Simona)
0:05:08 – False testimony from my former wife
0:06:56 – "The ArcaBoard doesn't fly as depicted"
0:08:18 – Never saw it with her own eyes, only the edited videos
0:08:43 – False transcription in investigation report: "unedited videos"
0:09:55 – This is all state evidence, so draw your own conclusions
0:10:38 – "The Defiant drone doesn't fly as depicted"
0:12:53 – Doesn't know the difference between AirStrato and Defiant
0:14:27 – Unedited video ArcaBoard flying
0:15:50 – Unedited video of Defiant drone flying
0:17:17 – Testimony of work colleagues ignored
0:23:28 – "He escaped from Romania" "I read on Internet"
0:24:25 – "Take the money and run"
0:25:32 – I traveled to Europe constantly without getting stopped
0:26:54 – If I was wanted in Romania, I would've been extradited
0:27:54 – "I think he's planning to escape May 1st"
0:30:02 – Why I didn't leave in May: "He wants all the possible money"
0:31:07 – "I plan to divorce him" Yet I had already filed for divorce
0:33:32 – "Experts from Internet"
0:36:44 – "He took \$50,000 from German company and didn't deliver"
0:38:27 – Audio from German company: no dispute with ARCA.
0:40:25 – False transcription: I spent German money on honeymoon
0:41:50 – Reference to Michael Persico of Anova Technologies
0:44:33 – Clarification on the purpose of this video

Part 2: Main Witness – Michael Persico

0:45:31 – Involvement of Michael Persico of Anova Technologies
0:48:13 – Charged with fraud of \$215,000 despite Persico's statement
0:49:42 – Persico: "AirStrato program would take 2 years / \$5 million"
0:52:04 – Persico informed of ArcaBoard program and more investors
0:52:38 – Persico refuses investors
0:53:12 – Persico claims he never approved the ArcaBoard
0:55:06 – Persico claims I never provided financials or business plan
0:56:54 – Persico proposes lien on all ARCA assets for \$100,000
0:58:18 – Persico refuses investors again
1:00:26 – Persico: "This stopped being my responsibility"
1:01:25 – Persico tells me to fire my attorney
1:02:19 – Persico claims he didn't know about ArcaBoard video
1:04:58 – "Anova will own 20% of ARCA and control the board"
1:05:51 – Insufficient offer of \$34,567 to fund operations
1:08:45 – Persico requests ARCA's login data for QuickBooks
1:09:21 – Considering bankruptcy, Persico thought we were bluffing
1:11:19 – Persico claims he never got to vote at board meeting

1:12:47 – Persico resigns from board, admits conflict of interest
1:14:29 – Persico claims I owed \$30,000 to landlord
1:14:46 – Persico claims he wasn't advised of ARCA's public offering
1:16:30 – Persico claims AirStrato UAVs are in pieces "of no value"
1:17:46 – Comparison of claims that I escaped Romania/Europe
1:19:02 – Comparison of concerns for me leaving the U.S.

Part 3: NMSD and DHS Agents

1:20:51 – Introduction: Questionable judgement and practices
1:22:29 – NMSD Agent undercover with cane and sunglasses
1:23:07 – False transcription of signed contracts for ArcaBoard
1:24:29 – Agents' and Persico's amusement at NMSD Agent's "disguise"
1:27:06 – NMSD Agent says they planned to question me directly, but never did
1:28:29 – NMSD Agent doesn't know if they have enough proof to convict me
1:30:31 – NMSD Agent charges my contract with Air Force as false statement
1:31:33 – "He's Romanian" doesn't know government branches
1:32:45 – Agent DHS Agent: "You're mine, you don't exist"
1:34:46 – DHS Agent tells my ex-wife she can give away my property
1:36:34 – DHS Agent doesn't seem concerned with best interest of U.S.
1:38:55 – Collusion between special agents and Persico
1:40:26 – "If he gets a bond, then we take him back into custody"
1:41:55 – "We're going to try to get him deported" after some jail time
1:43:37 – I plan to appear before a grand jury, despite statistics
1:45:08 – Offered to drop charges if I pay restitution of \$1 million
1:45:53 – After exculpatory evidence, offered to drop 13 of 18 charges
1:46:32 – No deal, I will not plead guilty to any of these charges
1:47:39 – More collusion: NMSD Agent asks Persico what to charge me with
1:49:54 – NMSD Agent asks my ex-wife for my property without warrant
1:51:15 – DHS Agent: "They sound like gypsies" (my mother and I)
1:53:27 – My mother detained at airport for 16 hours
1:54:17 – Straight to charges and arrest without confirmation
1:54:48 – False charges after no money was found
1:56:24 – FBI dropped my investigation, NMSD continued anyway
1:56:52 – NMSD Agent's explanation for continuing the case
1:59:00 – Conclusion and civil rights complaints I have filed

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