


UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
NASHVILLE DIVISION

FILED
U.S. DISTRICT COURT
MIDDLE DISTRICT OF TENN
NOV 14 2007

DEPUTY CLERK

UNITED STATES OF AMERICA)	
)	
v.	)	NO <u>3:07-00221</u>
)	
[1] HAROLD STAFFORD	)	18 U.S.C. § 2
(Counts One through Fifty-One)	)	18 U.S.C. § 1343
	)	18 U.S.C. § 1344
[2] MILES JACKSON BLACK	)	18 U.S.C. § 1349
(Counts One through Twenty-Five)	)	18 U.S.C. § 1957
	)	18 U.S.C. § 981(a)(1)(C)
[3] JEFFREY DUNN HATHCOCK	)	18 U.S.C. § 982(a)(2)
(Counts One through Twenty-Five)	)	18 U.S.C. § 982(b)
	)	21 U.S.C. § 853(p)
	)	28 U.S.C. § 2461(c)

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

1 From in or about January 2005 through on or about October 21, 2005, in the Middle District of Tennessee and elsewhere, [1] **HAROLD STAFFORD**, [2] **MILES JACKSON BLACK**, and [3] **JEFFREY DUNN HATHCOCK** did willfully, knowingly and unlawfully combine, conspire, confederate, agree and have a tacit understanding with each other and others, known to the grand jury, to commit certain offenses against the United States, including the following:

(a) Having devised and intending to devise a scheme and artifice to defraud mortgage lenders and to obtain money from mortgage lenders by means of materially false and fraudulent

pretenses, representations and promises, to transmit and cause to be transmitted interstate wire communications made for the purpose of executing such scheme and artifice to defraud, in violation of Title 18, United States Code, Section 1343; and

(b) Knowingly executing and attempting to execute a scheme and artifice to defraud a financial institution and to obtain money owned by and under the custody and control of a financial institution by means of false and fraudulent pretenses, representations, and promises

Manner and Means

2. It was a part of this conspiracy and the manner and means by which the conspiracy was sought to be accomplished that:

(a) **HAROLD STAFFORD** owned and controlled Stafford Lease Group, Inc., Stafford Holding Group Inc., and Keys to Success, Inc.

(b) **HAROLD STAFFORD** agreed with the builders and sellers of twenty-two luxury homes in the Hendersonville and Gallatin communities of Tennessee to find buyers who would purchase those luxury homes at prices approximately \$10,000 to \$165,000 more than their original asking prices.

(c) The builders and sellers of those twenty-two luxury homes agreed to pay **HAROLD STAFFORD** the amount by which the contract sales prices for these twenty-two luxury homes exceeded their original asking prices.

(d) **HAROLD STAFFORD** recruited unqualified straw buyers with good credit histories to apply for first and second mortgage loans on multiple properties at purchase prices greater than the sellers' original asking prices.

(e) **HAROLD STAFFORD** instructed the unqualified straw buyers to apply for mortgage loans through an office of the Allied Mortgage Company that was managed by **MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK**.

(f) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** required the unqualified straw buyers to complete a "Buyer's Authorization Form" giving the Allied Mortgage Company permission to check the credit histories of the unqualified straw buyers.

(g) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** prepared, and instructed an employee of Allied Mortgage Company to prepare, necessary loan application documents for submission to mortgage lenders on behalf of the straw buyers.

(h) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** forged, and instructed an employee of Allied Mortgage Company to forge, the signatures of straw buyers on loan application documents by tracing the signatures of straw buyers from their "Buyers's Authorization Forms."

(i) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** prepared and submitted, and instructed an employee of Allied Mortgage Company to prepare and submit mortgage loan applications that falsely stated that the luxury homes to be purchased with the loan proceeds would be the straw buyers' primary residences

(j) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** prepared and submitted, and instructed an employee of Allied Mortgage Company to prepare and submit, mortgage loan applications that materially misstated the employment and income of the straw buyers.

(k) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** prepared and submitted, and instructed an employee of Allied Mortgage Company to prepare and submit,

mortgage loan applications that omitted to disclose that the straw buyers recently had purchased other luxury homes financed by different mortgage lenders.

(l) Straw buyer A.C. purchased three luxury homes between January 27, 2005 and February 22, 2005, two of them with no down payment.

(m) Straw buyer M.H. purchased four luxury homes between February 18, 2005 and June 29, 2005, each with no down payment.

(n) Straw buyer A.J. purchased one luxury home on February 18, 2005 with no down payment.

(o) Straw buyer U.N. purchased six luxury homes between April 7, 2005 and May 23, 2005, each with no down payment.

(p) Straw buyer B.B. purchased four luxury homes between June 30, 2005 and July 20, 2005, each with no down payment.

(q) Straw buyer M.W. purchased one luxury home on September 16, 2005, with no down payment.

(r) Straw buyer P.C. purchased two luxury homes between October 6, 2005 and October 12, 2005, each with no down payment.

(s) At the request of **HAROLD STAFFORD**, some builders of the luxury homes purchased by the straw buyers provided the Allied Mortgage Company with addenda to the real estate sales contracts that described the costs of additional improvements that purportedly were to be made to the luxury homes after closing to justify the increases in the contract sales prices paid by the straw buyers for the luxury homes.

(t) After closing, **HAROLD STAFFORD** advised builders of the luxury homes purchased by the straw buyers that the straw buyers had decided that they did not want the improvements described in the addenda to the real estate sales contracts and instructed the builders to refund to the anticipated costs of the improvements to the straw buyers or to himself

(u) Builders and sellers of the luxury homes purchased by the straw buyers paid kickbacks of approximately \$10,000 to \$165,000 to **HAROLD STAFFORD**, to the Stafford Lease Group, Inc., to the Stafford Holding Group, Inc., or to the straw buyers after the sales were closed.

(v) **HAROLD STAFFORD** paid to the straw buyers part of the kickback money that he received from builders after the sales of the luxury homes were closed

(w) **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** received commissions on the mortgage loans that they arranged for the straw buyers and on one occasion were paid a fee by the seller of one of the homes purchased by a straw buyer.

(x) **HAROLD STAFFORD**, **MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK**, sent, and caused to be sent, facsimile transmissions by interstate wire to lenders, which facsimile transmissions contained materially false and misleading borrower qualifying information and property valuations, and received loan approvals based on the materially false and misleading information so submitted

(y) **HAROLD STAFFORD**, **MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK**, caused out-of-state mortgage lenders and mortgage lenders with out-of-state warehouse lines to wire transfer loan proceeds to closing agents in the Middle District of Tennessee based on the false representations regarding borrower qualifications and property valuations.

Overt Acts

3 In furtherance of this conspiracy, and to effect the objects and purposes thereof, various overt acts were committed by **HAROLD STAFFORD**, **MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK**, and by persons acting at their direction, within the Middle District of Tennessee and elsewhere, including but not limited to the following:

Acts related to 1143 Fairview Village Lane, Gallatin, Tennessee

(1) In about January 2005, **HAROLD STAFFORD** asked straw buyer A.C. if he wanted to make money buying houses, told straw buyer A.C. that he knew a way to buy houses and “take money out of them at closing,” and told straw buyer A.C. that once he bought the houses, they could be rented out to people who had credit problems on a “lease/purchase” plan.

(2) In about January 2005, **HAROLD STAFFORD** obtained the personal information for straw buyer A.C. and provided it to Allied Mortgage Company.

(3) In about January 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused a loan application to be prepared and submitted on behalf of straw buyer A.C. to Countrywide Home Loans seeking a loan in the amount of \$305,000 to finance the purchase of the luxury home at 1143 Fairview Village Lane in Gallatin, Tennessee, which loan application materially overstated the income of straw buyer A.C. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer A.C.

(4) On or about January 27, 2005, straw buyer A.C. signed the mortgage documents to purchase the luxury home at 1143 Fairview Village Lane in Gallatin, Tennessee, collected a check

from builder J. S. in the amount of \$25,000, cashed that check, and delivered \$12,500 in cash to **HAROLD STAFFORD**.

Acts related to 104 Dorr Drive, Goodlettsville, Tennessee

(5) In about February 2005, **HAROLD STAFFORD** told straw buyer M.H. that if M.H. bought a house through him that house would be rented under a lease/purchase agreement for one year and then sold to the lessee.

(6) In about February 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused a loan application to be prepared and submitted on behalf of straw buyer M.H. to Accredited Home Lenders, Inc. seeking a loan in the amount of \$179,000 to finance the purchase of the home at 104 Dorr Drive in Goodlettsville, Tennessee, which loan application materially overstated the income of straw buyer M.H. and falsely stated that the home financed by this loan would be the primary residence of straw buyer M.H.

(7) On or about February 18, 2005, straw buyer M.H. signed the mortgage documents to purchase the home at 104 Dorr Drive in Goodlettsville, Tennessee.

(8) On or about February 18, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a cashier's check in the amount of \$14,655.91 payable to the Stafford Lease Group and issued by the builder of the home at 104 Dorr Drive in Goodlettsville, Tennessee.

(9) On or about February 18, 2005, **HAROLD STAFFORD** paid straw buyer M.H. \$4,000.

Acts related to 107 Secretariat Lane, Hendersonville, Tennessee

(10) In about January 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer A.C. to Allied Home Mortgage seeking two loans totaling \$740,000 to finance the purchase of the luxury home at 107 Secretariat Lane in Hendersonville, Tennessee, which loan applications materially overstated the income of straw buyer A.C. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer A.C.

(11) On or about February 18, 2005, straw buyer A.C. signed the mortgage documents to purchase the luxury home at 107 Secretariat Lane in Hendersonville, Tennessee.

(12) On or about February 18, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a cashier's check in the amount of \$55,000 payable to the Stafford Lease Group and obtained by the title company that closed the sale of the luxury home at 107 Secretariat Lane in Hendersonville, Tennessee.

Acts related to 1134 Isaac Franklin Drive in Gallatin, Tennessee

(13) In about November 2004, a business associate of **HAROLD STAFFORD** known as M.I. told straw buyer A.J. that she could make \$20,000 by taking out a loan on a house and putting it in her name, but that she first had to purchase two Mercedes automobiles in her name for use by M.I. and by **HAROLD STAFFORD** to prove that she could afford to make a substantial house payment.

(14) In about November of 2004, straw buyer A.J. borrowed money to purchase a model year 2002 black Mercedes that was then driven by M.I. and a model year 2000 white Mercedes that was then driven by **HAROLD STAFFORD**.

(15) In about January 2005, straw buyer A.J. was asked by M.I. and by **HAROLD STAFFORD** to sign a mortgage loan application that had been completed with information she had provided to M.I. and **HAROLD STAFFORD** at the time she borrowed money to purchase the Mercedes automobiles driven by each of them and that contained materially false employment and income information for her.

(16) In about January 2005, **HAROLD STAFFORD** promised to pay straw buyer A.J. \$25,000 for purchasing a house and two cars.

(17) In about January or February 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused a loan application to be prepared and submitted on behalf of straw buyer A.J. to Long Beach Mortgage Company seeking a loan in the amount \$292,000 to finance the purchase of the luxury home at 1134 Isaac Franklin Drive in Gallatin, Tennessee, which loan application materially misstated the employment history and income of straw buyer A.J. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer A.J.

(18) On or about February 18, 2005, straw buyer A.J. signed the mortgage documents to purchase the luxury home at 1134 Isaac Franklin Drive in Gallatin, Tennessee.

(19) On or about February 18, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc a check in the amount of \$10,000 payable to

straw buyer A.J. and issued by the builder of the luxury home at 1134 Isaac Franklin Drive in Gallatin, Tennessee

(20) In about February 2005, **HAROLD STAFFORD** paid approximately \$10,000 to straw buyer A.J.

Acts related to 744 Plantation Way, Gallatin, Tennessee

(21) In about February 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer A.C., one to Long Beach Mortgage Company seeking a first mortgage loan in the amount of \$915,000 and the second to the Bank of Nashville seeking a second mortgage loan in the amount of \$150,000, both to finance the purchase of the luxury home at 744 Plantation Way in Gallatin, Tennessee, which loan applications materially overstated the income of straw buyer A.C. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer A.C.

(22) On or about February 22, 2005, straw buyer A.C. signed the mortgage documents to purchase the luxury home at 744 Plantation Way in Gallatin, Tennessee.

(23) On or about February 22, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a bank check in the amount of \$165,000 payable to the Stafford Leasing Group from the seller of the house at 744 Plantation Way in Gallatin, Tennessee.

(24) On or about March 3, 2005, a check payable to A.C. in the amount of \$79,652 was issued from the bank account of Stafford Lease Group, Inc. and signed by the wife of A.C. who was employed by **HAROLD STAFFORD**.

Acts related to 1015 Island Brook Drive in Hendersonville, Tennessee

(25) In about March 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused loan applications to be prepared and submitted on behalf of straw buyer M.H. to Wilmington Finance, Inc. seeking two loans totaling \$331,900 to finance the purchase of the luxury home at 1015 Island Brook Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer M.H. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer M.H.

(26) On or about April 1, 2005, straw buyer M.H. signed the mortgage documents to purchase the luxury home at 1015 Island Brook Drive in Hendersonville, Tennessee

(27) On or about April 5, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$24,609.02 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1015 Island Brook Drive in Hendersonville, Tennessee.

(28) On or about April 5, 2005, **HAROLD STAFFORD** issued a check in the amount of \$3,500 to straw buyer M.H. from the bank account of the Stafford Lease Group, Inc.

Acts related to 1033 Dorset Drive in Hendersonville, Tennessee

(29) In about March 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused loan applications to be prepared and submitted on behalf of straw buyer M.H. to Countrywide Home Loans seeking two loans totaling \$409,500 to finance the purchase of the luxury home at 1033 Dorset Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer M.H. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer M.H.

(30) On or about April 4, 2005, straw buyer M.H. signed the mortgage documents to purchase the luxury home at 1033 Dorset Drive in Hendersonville, Tennessee.

(31) On or about April 5, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$35,042.33 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1033 Dorset Drive in Hendersonville, Tennessee.

(32) On or about April 5, 2005, **HAROLD STAFFORD** issued a check in the amount of \$3,000 to straw buyer M.H. from the bank account of the Stafford Holding Group, Inc.

(33) On or about April 7, 2005, **HAROLD STAFFORD** issued a check in the amount of \$3,000 to straw buyer M.H. from the bank account of the Stafford Lease Group, Inc.

(34) On or about April 7, 2005, **HAROLD STAFFORD** issued a check in the amount of \$27,000 to the Bank of America to pay a line of credit owed by straw buyer M.H.

Acts related to 1043 Dorset Drive in Hendersonville, Tennessee

(35) In about March 2005, **HAROLD STAFFORD** told straw buyer U.N. that he could buy houses in his own name and have **HAROLD STAFFORD'S** leasing company manage them, that the houses that straw buyer U.N. would buy had equity in them, and that the mortgages used to buy the houses would pay that equity up front.

(36) In about March 2005, **HAROLD STAFFORD** instructed straw buyer U.N. to contact **MILES JACKSON BLACK** at Allied Mortgage Company to begin the loan process.

(37) On or about March 29, 2005, straw buyer U.N. faxed to **MILES JACKSON BLACK** a copy of his personal income tax return (Form 1040) for 2003 showing that U.N. had earned no wages in 2003 and had an Adjusted Gross Income of \$36,451.

(38) On or about April 5, 2005, **HAROLD STAFFORD** advised straw buyer U.N. that his tax return was not good enough, provided straw buyer U.N. with in a revised prepared tax return (Form 1040) for tax year 2003 that showed that straw buyer U.N. had Adjusted Gross Income of \$181,397, and instructed straw buyer U.N. to fax this revised tax return to **MILES JACKSON BLACK**. Straw buyer U.N. faxed the revised tax return to **MILES JACKSON BLACK**.

(39) In about April 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer U.N. to Wilmington Finance, Inc. seeking two loans totaling \$414,900 to finance the purchase of the luxury home at 1043 Dorset Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer U.N.

(40) On or about April 7, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 1043 Dorset Drive in Hendersonville, Tennessee

(41) On or about April 7, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc a check in the amount of \$35,000 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1043 Dorset Drive in Hendersonville, Tennessee.

(42) On or about April 13, 2005, **HAROLD STAFFORD** issued a check in the amount of \$23,320 to straw buyer U.N. from the bank account of the Stafford Lease Group, Inc

Acts related to 110 North Country Club Drive in Hendersonville, Tennessee

(43) In about April 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer U.N., one to Chase USA for a first mortgage loan in the amount of \$492,000 and the second to the Bank of Nashville for a second mortgage loan in the amount of \$123,000, to finance the purchase of the luxury home at 110 North Country Club Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer U.N.

(44) On or about April 8, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 110 North Country Club Drive in Hendersonville, Tennessee

(45) On or about April 12, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc a bank check in the amount of \$53,111 payable to the Stafford Lease Group and obtained by **MILES JACKSON BLACK**.

Acts related to 1160 Fairvue Village Lane in Gallatin, Tennessee

(46) In about April 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused loan applications to be prepared and submitted on behalf of straw buyer M.H. to the Long Beach Mortgage Company seeking two loans totaling \$349,900 to finance the purchase of the luxury home at 1160 Fairvue Village Lane in Gallatin, Tennessee, which loan applications materially misstated the income of straw buyer M.H. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer M.H.

(47) On or about April 19, 2005, straw buyer M.H. signed the mortgage documents to purchase the luxury home at 1160 Fairvue Village Lane in Gallatin, Tennessee.

(48) On or about April 19, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$20,000 payable to straw buyer M.H. and issued by the builder of the luxury home at 1160 Fairvue Village Lane in Gallatin, Tennessee.

Acts related to 1014 Island Brook Drive in Hendersonville, Tennessee

(49) In about April 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer U.N. to The Lending Group for loans totaling \$500,000 to finance the purchase of the luxury home at 1014 Island Brook Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer U.N.

(50) On or about April 20, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 1014 Island Brook Drive in Hendersonville, Tennessee

(51) On or about April 26, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$39,300 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1014 Island Brook Drive in Hendersonville, Tennessee.

Acts related to 139 Caudill Drive in Hendersonville, Tennessee

(52) In about April or May 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer U.N. to the Long Beach Mortgage Company for loans totaling \$710,000 to finance the purchase of the luxury home at 139 Caudill Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer U.N.

(53) On or about May 5, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 139 Caudill Drive in Hendersonville, Tennessee.

(54) On or about May 5, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$105,000 payable to the Stafford Holdings and issued by an escrow company involved in the closing of the sale of the luxury home at 139 Caudill Drive in Hendersonville, Tennessee.

(55) On or about May 16, 2005, **HAROLD STAFFORD** issued a check in the amount of \$30,000 to straw buyer U.N. from the bank account of the Stafford Lease Group, Inc.

Acts related to 1047 Island Brook Drive in Hendersonville, Tennessee

(56) In about April or May 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer U.N. to Countrywide Home Loans for loans totaling \$444,000 to finance the purchase of the luxury home at 1047 Island Brook Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer U.N.

(57) On or about May 13, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 1047 Island Brook Drive in Hendersonville, Tennessee

(58) On or about May 23, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$34,439.81 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1047 Island Brook Drive in Hendersonville, Tennessee.

Acts related to 102 Kinwood Court in Hendersonville, Tennessee

(59) In about May 2005, **MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK** caused a loan application to be prepared and submitted on behalf of straw buyer U.N. to CII Group for a loan in the amount of \$419,500 to finance the purchase of the luxury home at 102 Kinwood Court in Hendersonville, Tennessee, which loan application materially misstated the income of straw buyer U.N. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer U.N.

(60) On or about May 23, 2005, straw buyer U.N. signed the mortgage documents to purchase the luxury home at 102 Kinwood Court in Hendersonville, Tennessee

(61) On or about May 23, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$29,920.50 payable to the Stafford Lease Group and issued by the builder of the luxury home at 102 Kinwood Court in Hendersonville, Tennessee.

Acts related to 1028 Heathrow Drive in Hendersonville, Tennessee

(62) In about June 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused loan applications to be prepared and submitted on behalf of straw buyer M.H. to the Ameritrust Mortgage Company seeking a loan in the amount to \$438,900 to finance the purchase of the luxury home at 1028 Heathrow Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer M.H. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer M.H.

(63) On or about June 29, 2005, straw buyer M.H. signed the mortgage documents to purchase the luxury home at 1028 Heathrow Drive in Hendersonville, Tennessee.

(64) On or about June 29, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$38,000 payable to Stafford Lease Group and issued by the builder of the luxury home at 1028 Heathrow Drive in Hendersonville, Tennessee.

(65) On or about July 1, 2005, **HAROLD STAFFORD** issued a check in the amount of \$3,000 to straw buyer M.H. from the bank account of the Stafford Holding Group, Inc.

(66) On or about July 9, 2005, **HAROLD STAFFORD** issued a check in the amount of \$8,000 to straw buyer M.H. from the bank account of the Stafford Holding Group, Inc.

Acts related to 1232 Chloe Drive in Gallatin, Tennessee

(67) In about June 2005, a business associate of **HAROLD STAFFORD** known as M.T. told straw buyer B.B. that he could participate in **HAROLD STAFFORD'S** home buying program if he was a professional athlete with good credit, that people would lease the houses that he bought for one or two years, that the rent collected would pay the mortgages, and that straw buyer B.B. would earn \$30,000 to \$40,000 after he purchased the homes.

(68) In about June 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer B.B. to Fremont Investment and Loan Company seeking two loans totaling \$859,820 to finance the purchase of the luxury home at 1232 Chloe Drive in Gallatin, Tennessee, which loan applications materially misstated the income of straw buyer B.B. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer B.B.

(69) On or about June 30, 2005, straw buyer B.B. signed the mortgage documents to purchase the luxury home at 1232 Chloe Drive in Gallatin, Tennessee.

(70) On or about June 30, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$85,000 payable to the Stafford Lease Group and issued by the builder of the luxury home at 1232 Chloe Drive in Gallatin, Tennessee.

(71) On or about June 30, 2005, **HAROLD STAFFORD** delivered a check in the amount of \$15,000 to straw buyer B.B. drawn on the bank account of the Stafford Holding Group, Inc.

Acts related to 245 Hidden Lake Drive in Hendersonville, Tennessee

(72) In about June 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer B B to Long Beach Mortgage Company seeking two loans totaling \$800,000 to finance the purchase of the luxury home at 245 Hidden Lake Drive in Hendersonville, Tennessee, which loan applications materially misstated the income of straw buyer B.B. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer B B.

(73) On or about June 30, 2005, straw buyer B.B. signed the mortgage documents to purchase the luxury home at 245 Hidden Lake Drive in Hendersonville, Tennessee

(74) On or about June 30, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$100,000 payable to the Stafford Holding Group and issued by the seller of the luxury home at 245 Hidden Lake Drive in Hendersonville, Tennessee.

Acts related to 112 North Country Club Drive in Hendersonville, Tennessee

(75) In about June or July 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer B.B to The Lending Group, Inc. seeking two loans totaling \$550,000 to finance the purchase of the luxury home at 112 North Country Club Drive in Hendersonville, Tennessee, which loan

applications materially misstated the income of straw buyer B.B. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer B.B.

(76) On or about July 11, 2005, straw buyer B.B. signed the mortgage documents to purchase the luxury home at 112 North Country Club Drive in Hendersonville, Tennessee.

(77) On or about July 11, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Holding Group, Inc. a check in the amount of \$120,000 payable to the Stafford Holding Group and issued by a title company that participated in the closing of the sale of the luxury home at 112 North Country Club Drive in Hendersonville, Tennessee.

(78) On or about July 15, 2005, **HAROLD STAFFORD** issued a check in the amount of \$15,000 to straw buyer B.B. drawn on the bank account of the Stafford Holding Group, Inc.

Acts related to 792 Plantation Way in Gallatin, Tennessee

(79) In about July 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer B.B. to Franklin Mortgage Finance Company seeking two loans totaling \$700,000 to finance the purchase of the luxury home at 792 Plantation Way in Gallatin, Tennessee, which loan applications materially misstated the income of straw buyer B.B. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer B.B.

(80) On or about July 20, 2005, straw buyer B.B. signed the mortgage documents to purchase the luxury home at 792 Plantation Way in Gallatin, Tennessee.

(81) On or about July 20, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of a \$86,150.21 payable to the Stafford Lease Group and issued by the builder of the luxury home at 792 Plantation Way in Gallatin, Tennessee.

(82) On or about September 20, 2005, **HAROLD STAFFORD** issued a check in the amount of \$15,000 to straw buyer B.B. drawn on the bank account of the Stafford Lease Group, Inc.

Acts related to 1583 Jacobs Drive in Gallatin, Tennessee

(83) In about August 2005, **HAROLD STAFFORD** told straw buyer M.W. that he could make approximately \$500,000 before Christmas by purchasing houses with no money down and that **MILES JACKSON BLACK** would call him to begin the process.

(84) In about August or September 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer M.W. to Fremont Investment and Loan Company seeking two loans totaling \$859,900 to finance the purchase of the luxury home at 1583 Jacobs Drive in Gallatin, Tennessee, which loan applications materially misstated the income of straw buyer M.W. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer M.W.

(85) On or about September 16, 2005, straw buyer M.W. signed the mortgage documents to purchase the luxury home at 1583 Jacobs Drive in Gallatin, Tennessee.

(86) On or about September 16, 2005, **HAROLD STAFFORD** received and deposited into the bank account of Stafford Lease Group, Inc. a check in the amount of \$83,855

payable to the Stafford Lease Group and issued by the builder of the luxury home at 1583 Jacobs Drive in Gallatin, Tennessee.

(87) On or about September 30, 2005, **HAROLD STAFFORD** issued a check in the amount of \$30,000 to straw buyer M.W. drawn on the bank account of Keys to Success LLC.

Acts related to 1059 Isaac Franklin Drive in Gallatin, Tennessee

(88) In about September or October 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused two loan applications to be prepared and submitted on behalf of straw buyer P.C. to Fremont Investment and Loan Company seeking two loans totaling \$420,675 to finance the purchase of the luxury home at 1059 Isaac Franklin Drive in Gallatin, Tennessee, which loan applications materially misstated the income of straw buyer P.C. and falsely stated that the luxury home financed by these loans would be the primary residence of straw buyer P.C.

(89) On or about October 6, 2005, straw buyer P.C. signed the mortgage documents to purchase the luxury home at 1059 Isaac Franklin Drive in Gallatin, Tennessee.

Acts related to 100 Danwood Court in Hendersonville., Tennessee

(90) In about September or October 2005, **MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** caused a loan application to be prepared and submitted on behalf of straw buyer P.C. to The Lending Group, Inc. seeking a loan in the amount of \$450,000 to finance the purchase of the luxury home at 100 Danwood Court in Hendersonville, Tennessee, which loan

applications materially misstated the income of straw buyer P.C. and falsely stated that the luxury home financed by this loan would be the primary residence of straw buyer P.C.

(91) On or about October 12, 2005, straw buyer P.C. signed the mortgage documents to purchase the luxury home at 100 Danwood Court in Hendersonville, Tennessee.

All in violation of Title 18, United States Code, Section 1349

COUNTS TWO THROUGH TWENTY-TWO

THE GRAND JURY FURTHER CHARGES:

The grand jury realleges and incorporates herein by reference the allegations contained in Count One of this indictment.

From in or about January 2005 through on or about October 21, 2005, in the Middle District of Tennessee and elsewhere, **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, aided and abetted by each other and others, knowingly and wilfully devised and intended to devise a scheme and artifice to defraud mortgage lenders and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

On or about the dates set forth below with respect to each count, **HAROLD STAFFORD, MILES JACKSON BLACK**, and **JEFFREY DUNN HATHCOCK**, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to defraud, caused to be transmitted in interstate commerce, by means of a wire communication, certain signs, signals and sounds, as more particularly described in each count below:

Count	Date	Wire Communication
2	1/27/2005	Wire transfer of \$247,645.00 from the Bank of New York (California) as directed by Countrywide Home Loans to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by A. C. of a luxury home at 1143 Fairview Village Lane in Gallatin, Tennessee
3	2/18/2005	Wire transfer of \$585,677.22 from the Wells Fargo Bank as directed by the Allied Mortgage Capital Corporation to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by A. C. of a luxury home at 107 Secretariat Lane in Hendersonville, Tennessee
4	2/18/2005	Wire transfer of \$57,928.80 from the Washington Mutual Bank as directed by the Long Beach Mortgage Company to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by A. J. of a luxury home at 1134 Isaac Franklin Drive in Gallatin, Tennessee
5	2/22/2005	Wire transfer of \$144,959.30 from the Deutsche Bank Trust Company Americas as directed by "NYLTD Funds Control - Stars West" to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by M. H. of a home at 104 Dorr Drive in Goodlettsville, Tennessee
6	2/22/2005	Wire transfer of \$928,847.25 from the Washington Mutual Bank as directed by the account of Long Beach Mortgage to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by A. C. of a luxury home at 744 Plantation Way in Gallatin, Tennessee
7	4/1/2005	Wire transfer of \$272,267.00 from Wachovia Bank as directed by Wilmington Finance, Inc. to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by M. H. of a luxury home at 1015 Island Brook Drive in Hendersonville, Tennessee
8	4/4/2005	Wire transfer of \$336,674.92 from Bank of New York (California) as directed by Countrywide Home Loans to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by M. H. of a luxury home at 1033 Dorset Drive in Hendersonville, Tennessee

Count	Date	Wire Communication
9	4/7/2005	Wire transfer of \$337,869.07 from Wachovia Bank as directed by Wilmington Finance, Inc. to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by U.N. of a luxury home at 1043 Dorset Drive in Hendersonville, Tennessee
10	4/8/2005	Wire transfer of \$504,723.08 from Chase Bank to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by U.N. of a luxury home at 110 North Country Club Drive in Hendersonville, Tennessee
11	4/19/2005	Wire transfer of \$286,660.80 from Washington Mutual Bank as directed by the Long Beach Mortgage Company to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by M.H. of a luxury home at 1160 Fairvue Village Lane in Gallatin, Tennessee
12	4/20/2005	Fax transmission of false qualifying information on an application to The Lending Group, Inc. for a mortgage loan to finance the purchase by U.N. of a luxury home at 1014 Island Brook Drive in Hendersonville, Tennessee
13	4/29/2005	Fax transmission of false qualifying information on a Uniform Underwriting Transmittal Summary to Long Beach Mortgage Company for a mortgage loan to finance the purchase by U.N. of a luxury home at 139 Caudill Drive in Hendersonville, Tennessee
14	5/13/2005	Wire transfer of \$363,308.83 from the Bank of New York (California) as directed by Countrywide Home Loans to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by U.N. of a luxury home at 1047 Island Brook Drive in Hendersonville, Tennessee
15	6/21/2005	Fax transmission of false qualifying information on an application to Ameritrust Mortgage Company for a mortgage loan to finance the purchase by M.H. of a luxury home at 1028 Heathrow Drive in Hendersonville, Tennessee
16	6/30/2005	Wire transfer of \$700,579.20 from the Bankers Bank as directed by Fremont Investment & Loan to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by B.B. of a luxury home at 1232 Chloe Drive in Gallatin, Tennessee

Count	Date	Wire Communication
17	6/21/2005	Fax transmission of false qualifying information on a Uniform Underwriting and Transmittal Summary to Long Beach Mortgage Company for a mortgage loan to finance the purchase by B.B. of a luxury home at 245 Hidden Lake Drive in Hendersonville, Tennessee
18	7/7/2005	Fax transmission of false qualifying information on an application to The Lending Group, Inc. for a mortgage loan to finance the purchase by B.B. of a luxury home at 112 North Country Club Drive in Hendersonville, Tennessee
19	7/20/2005	Wire transfer of \$568,946.92 from the account of the Michigan Fidelity Acceptance Corporation maintained at the Washington Mutual Bank, FA to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by B B of a luxury home at 792 Plantation Way in Gallatin, Tennessee
20	9/16/2005	Wire transfer of \$171,174.35 from Fremont Investment & Loan to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by M W of a luxury home at 1583 Jacobs Drive in Gallatin, Tennessee
21	10/6/2005	Wire transfer of \$340,874.47 from Fremont Investment & Loan to the bank account of a loan closing agent in the Middle District of Tennessee to finance the purchase by P.C. of a luxury home at 1059 Isaac Franklin Drive in Gallatin, Tennessee
22	10/11/2005	Fax transmission of false qualifying information on an application to The Lending Group, Inc for a mortgage loan to finance the purchase by P.C. of a luxury home at 100 Danwood Court in Hendersonville, Tennessee

All in violation of Title 18, United States Code, Section 1343.

COUNTS TWENTY-THREE THROUGH TWENTY-FOUR

THE GRAND JURY FURTHER CHARGES:

The grand jury realleges and incorporates herein by reference the allegations contained in Count One of this indictment.

From in or about January 2005 through on or about October 21, 2005, in the Middle District of Tennessee and elsewhere, **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, aided and abetted by each other and others, knowingly and wilfully executed and attempted to execute a scheme and artifice to defraud a federally insured financial institution, the Bank of Nashville.

On or about the dates set forth below with respect to each count, **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to defraud, caused to be submitted to the Bank of Nashville, a financial institution the deposits of which were then insured by the Federal Deposit Insurance Corporation, the materially false and fraudulent pretenses, representations and promises set forth below with respect to each count, as follows:

Count	Date	Materially False Pretenses, Representations and Promises
23	2/22/2005	False qualifying information on an application to Bank of Nashville for a mortgage loan to finance the purchase by A.C. of a luxury home at 744 Plantation Way in Gallatin, Tennessee
24	4/8/2005	False qualifying information on an application to Bank of Nashville for a mortgage loan to finance the purchase by U.N. of a luxury home at 110 North Country Club Drive in Hendersonville, Tennessee

All in violation of Title 18, United States Code, Sections 1344 and 2

COUNT TWENTY-FIVE

THE GRAND JURY FURTHER CHARGES:

The grand jury realleges and incorporates herein by reference the allegations contained in Count One of this indictment

On or about May 23, 2005, in the Middle District of Tennessee and elsewhere, **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, aided and abetted by each other and others, knowingly and wilfully executed and attempted to execute a scheme and artifice to obtain money under the custody and control of a federally insured financial institution, the Bank of New York (Delaware) in Newark, Delaware. **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, for the purpose of executing and attempting to execute the aforesaid scheme and artifice to obtain money under the control of a federally insured financial institution, caused to be submitted to the CIT Group materially false qualifying information on an application to CIT Group for a mortgage loan to finance the purchase by U N. of a luxury home at 102 Kinwood Court in Hendersonville, Tennessee.

All in violation of Title 18, United States Code, Sections 1344 and 2

COUNTS TWENTY-SIX THROUGH FIFTY-ONE

THE GRAND JURY FURTHER CHARGES:

The grand jury realleges and incorporates herein by reference the allegations contained in Count One of this indictment.

On or about the dates set forth below with respect to each count, in the Middle District of Tennessee, **HAROLD STAFFORD**, did knowingly engage in, and attempt to engage in the specified monetary transactions listed below by, through and to a financial institution, affecting interstate and foreign commerce, involving criminally derived property of a value greater than \$10,000, as specified below, such property having been derived from a specified unlawful activity, to wit, wire fraud and bank fraud as further described in Counts One through Twenty-Five of this Indictment:

Count	Date	Monetary Transaction	Related Straw Buyer/ Property/Loan
26	3/1/2005	Deposited a check in the amount of \$14,655.91 payable to "The Stafford Lease Group" into the Bank of America account of The Stafford Lease Group, Inc.	M.H 104 Dorr Drive Goodlettsville, Tennessee
27	2/18/2005	Deposited a cashier's check in the amount of \$55,000 payable to "The Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc.	A.C. 107 Secretariat Lane Hendersonville, Tennessee
28	2/23/2005	Deposited a cashier's check in the amount of \$165,000 payable to "Stafford Leasing Group" into the Bank of America account of Stafford Lease Group, Inc.	A.C. 744 Plantation Way Gallatin, Tennessee
29	3/1/2005	Withdrew \$50,000 from Bank of America account of Stafford Lease Group, Inc. to purchase bank check payable to A.C.	A.C. 744 Plantation Way Gallatin, Tennessee
30	3/3/2005	Issued a check in the amount of \$79,652 from the Bank of America account of Stafford Lease Group, Inc. payable to A.C.	A.C. 744 Plantation Way Gallatin, Tennessee

Count	Date	Monetary Transaction	Related Straw Buyer/ Property/Loan
31	4/5/2005	Deposited a check in the amount of \$24,609.02 payable to "The Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc.	M.H. 1015 Island Brook Drive Hendersonville, Tennessee
32	4/5/2005	Deposited a check in the amount of \$35,042.33 payable to "Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc.	M.H. 1033 Dorset Drive Hendersonville, Tennessee
33	4/7/2005	Issued a check in the amount of \$27,000 from the Bank of America account of Stafford Lease Group, Inc. to pay Bank of America line of credit of M.H.	M.H. 1033 Dorset Drive Hendersonville, Tennessee
34	4/8/2005	Deposited a check in the amount of \$35,000 payable to "Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc.	U.N. 1043 Dorset Drive Hendersonville, Tennessee
35	4/12/2005	Deposited a cashier's check in the amount of \$53,111 payable to "The Stafford Lease Group" into the Bank of America account of Stafford Holding Group	U.N. 110 North Country Club Drive Hendersonville, Tennessee
36	4/13/2005	Issued a check in the amount of \$23,320 from the Bank of America account of Stafford Lease Group, Inc. payable to U.N.	U.N. 110 North Country Club Drive Hendersonville, Tennessee
37	4/14/2005	Withdrew \$22,600 from Bank of America account of Stafford Lease Group, Inc. to purchase a BMW X5 from Elite Motorcars	U.N. 110 North Country Club Drive Hendersonville, Tennessee
38	6/10/2005	Deposited a check in the amount of \$20,000 payable to M.H. into the Bank of America account of Stafford Lease Group, Inc.	M.H. 1160 Fairvue Village Lane Gallatin, Tennessee

Count	Date	Monetary Transaction	Related Straw Buyer/ Property/Loan
39	4/26/2005	Deposited a check in the amount of \$39,300 payable to "the Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc	U.N. 1014 Island Brook Drive Hendersonville, Tennessee
40	5/6/2005	Deposited a check in the amount of \$105,000 payable to Stafford Holdings into the Bank of America account of Stafford Lease Group, Inc.	U.N. 139 Caudill Drive Hendersonville, Tennessee
41	5/26/2005	Deposited a check in the amount of \$34,439.81 payable to "The Stafford Lease Group" into the Bank of America account of the Stafford Holding Group	U.N. 1047 Island Brook Drive Hendersonville, Tennessee
42	5/16/2005	Issued a check in the amount of \$30,000 from the Bank of America account of Stafford Lease Group, Inc. payable to U.N.	U.N. 1047 Island Brook Drive Hendersonville, Tennessee
43	6/1/2005	Deposited a check in the amount of \$29,920.50 payable to "The Stafford Lease Group" into the Bank of America account of the Stafford Holding Group	U.N. 102 Kinwood Court Hendersonville, Tennessee
44	6/29/2005	Deposited a check in the amount of \$123,000 payable to "Stafford Lease Group" into the Bank of America account of Stafford Lease Group, Inc.	M.H. 1028 Heathrow Drive Hendersonville, Tennessee
45	6/30/2005	Issued a check in the amount of \$15,000 from the Bank of America account of Stafford Holding Group payable to B.B.	B.B. 1232 Chloe Drive Gallatin, Tennessee
46	7/6/2005	Withdrew \$100,000 from Bank of America account of Stafford Holding Group. to purchase a bank check to make initial payment on purchase of 46-foot Bayliner yacht	B.B. 245 Hidden Lake Drive Hendersonville, Tennessee

Count	Date	Monetary Transaction	Related Straw Buyer/ Property/Loan
47	7/20/2005	Deposited a check in the amount of \$120,000 payable to "The Stafford Holding Group" into the Bank of America account of the Stafford Holding Group	B.B. 112 North Country Club Drive Hendersonville, Tennessee
48	7/15/2005	Issued a check in the amount of \$15,000 from the Bank of America account of Stafford Holding Group payable to B.B.	B.B. 112 North Country Club Drive Hendersonville, Tennessee
49	9/20/2005	Deposited a check in the amount of \$83,855 payable to "Stafford Holding Group" into the Bank of America account of Stafford Lease Group, Inc.	M.W. 1583 Jacobs Drive Gallatin, Tennessee
50	9/30/2005	Issued a check in the amount of \$30,000 from the Bank of America account of "Keys to Success" payable to M.W.	M.W. 1583 Jacobs Drive Gallatin, Tennessee
51	10/18/05	Withdrew \$18,000 in cash from the Bank of America account of "Keys to Success"	P.C. 100 Danwood Court Hendersonville, Tennessee

All in violation of Title 18 United States Code, Sections 1957 and 2

FORFEITURE ALLEGATIONS

Upon conviction of one or more of the offenses alleged in Counts One through Fifty-One of this Indictment, **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK**, shall forfeit to the United States pursuant to 18 U.S.C. Sections 981(a)(1)(C) and

982(a)(2), and 28 U.S.C. Section 2461(c) any property constituting or derived from proceeds obtained directly or indirectly as a result of the said violations, including but not limited to:

(a) MONEIARY JUDGMENT

A sum of money equal to \$5,306,928.79 in United States Currency, representing the amount of proceeds obtained as a result of the offenses of mail fraud and wire fraud.

(b) PERSONAL PROPERTY

- 1) One 1995 Bayliner Yacht, VIN BVKA13EWG495;
- 2) One 2001 BMW X5, VIN WBAFB33531LH06392;
- 3) One 2003 Ruttman Phantom motorcycle, VIN 4B7H846963S008359.

(c) CASH PROCEEDS

- 1) \$276.33 from Bank of America account # 003788695213;
- 2) \$2,439.75 from Bank of America account # 003784799935;
- 3) \$1,543.65 from Bank of America account # 003788116776;

(d) INTANGIBLE PROPERTY

Any and all rights, claims, interests in payments for manuscripts, books, other publications, movies and videos, consulting fees, and/or speaking engagements

If, as a result of any act or omission of **HAROLD STAFFORD, MILES JACKSON**


BLACK and **JEFFREY DUNN HATHCOCK** any property subject to forfeiture:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third person;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be subdivided without difficulty;

the United States intends, pursuant Title 18, United States Code, Section 982(b) and 21 United States Code, Section 853(p), to seek forfeiture of any other property of **HAROLD STAFFORD, MILES JACKSON BLACK** and **JEFFREY DUNN HATHCOCK** up to the value of the forfeitable property described above.

A TRUE BILL


FOREPERSON


SAMUEL R. THAPAR
ACTING UNITED STATES ATTORNEY


BYRON M. JONES
ASSISTANT UNITED STATES ATTORNEY