

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

08-20883 CR-KING
CASE NO.

MAGISTRATE JUDGE
HANDSTEA

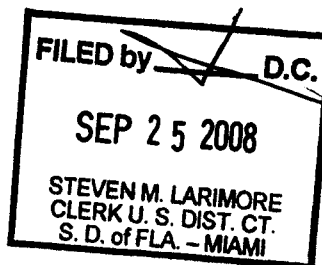
18 U.S.C. § 1341
18 U.S.C. § 1029(a)(2)
18 U.S.C. § 1028A
18 U.S.C. § 2
18 U.S.C. §§ 981 and 982

UNITED STATES OF AMERICA

vs.

SERGEJ TEWS,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At various times relevant to this Indictment:

1. Defendant **SERGEJ TEWS** was a resident in the Southern District of Florida.
2. Argent Mortgage Company, LLC was a licensed mortgage lender that registered to do business in the State of Florida on or about August 16, 2001.
3. Argent Mortgages, LLC (“Argent Mortgages”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about May 5, 2007 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Argent Mortgages was not registered to do business in the State of Florida.
4. Fremont Investment & Loan Company was a mortgage lender that registered to do business in the State of Florida on or about March 27, 1998.

5. Fremont Lending, LLC (“Fremont Lending”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about April 18, 2007 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Fremont Lending was not registered to do business in the State of Florida.

6. New Century Mortgage Corporation was a licensed mortgage lender that registered to do business in the State of Florida on or about December 4, 1996.

7. New Century Mortgages, LLC (“New Century Mortgages”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about April 18, 2007 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. New Century Mortgages was not registered to do business in the State of Florida.

8. Paramount Lending Corp. was a licensed mortgage lender that registered to do business in the State of Florida on or about May 2, 2000.

9. Paramount Lending Group, LLC was a licensed mortgage lender that registered to do business in the State of Florida on or about September 9, 2004.

10. Paramount Lending Corporation (“Paramount Lending”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about May 31, 2005 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Paramount Lending was not registered to do business in the State of Florida.

11. Streamline Mortgage Solutions, Inc. was a licensed mortgage lender that registered to do business in the State of Florida on or about November 24, 2004.

12. Streamline Lending Corporation (“Streamline Lending”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about April 13, 2005 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Streamline Lending was not registered to do business in the State of Florida.

13. Home Equity Mortgage Corporation was a licensed mortgage lender that registered to do business in the State of Florida on or about July 14, 1980.

14. Home Equity Mortgages Corporation (“Home Equity Mortgages”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about May 31, 2005 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Home Equity Mortgages was not registered to do business in the State of Florida.

15. Hollywood Mortgage Corporation was a licensed mortgage lender that registered to do business in the State of Florida on or about January 23, 1990.

16. Hollywood Financial Group (“Hollywood Financial”) was a Delaware Corporation that **SERGEJ TEWS** caused to be incorporated on or about May 31, 2005 for which **TEWS** was the principal officer, general partner, grantor, owner and trustee. Its mailing address was P.O. Box 610098, North Miami, Florida. Hollywood Financial was not registered to do business in the State of Florida.

17. The term “down payment,” used in the context of the purchase of property, refers to the initial, upfront payment by the purchaser of a portion of the total price for the property. The down payment usually is paid in cash at the time of finalizing the property purchase. In

many instances, the purchaser obtains a loan, called a mortgage, to help finance the remaining amount owed to purchase the property.

18. The term “mortgage” refers to the evidence of a debt that a property owner owes to a lender for a monetary loan. The mortgage transfers an interest in the property from the owner to the mortgage lender in exchange for the loan. The interest in the property will be returned to the borrower when the borrower pays off the mortgage balance in full. The mortgage is collateral or a security for the loan that the lender gives to the borrower.

19. The term “foreclosure” refers to the legal court action that a mortgage lender may bring against the borrower when the borrower cannot make principal and/or interest payments on his/her mortgage loan, typically resulting in the property being sold at auction to the highest bidder. The foreclosure process begins when the lender initiates a court action against the borrower in the county where the property is located. If the borrower does not respond to the court action within a specified period of time or otherwise correct the default on the loan, the court can find the borrower in default, and the lender can ask the court to make a final ruling. If the court rules against the borrower, the court will issue a “Final Judgment of Foreclosure” and set a sale date. At the sale, the property is sold at public auction to the highest bidder, who must pay for the property with an immediate five percent deposit and the remaining balance by the end of the day. After a successful sale, the clerk gives a certificate of sale to the winning bidder. Within ten days of the sale, the clerk transfers ownership to the winning bidder if no one disputes the sale.

20. The State of Florida charges taxes upon the filing of deeds and/or mortgages in the County Recorder’s Office in Miami-Dade County, Florida. A deed for a single-family residence requires payment of a “documentary stamp tax” at the rate of \$0.60 per \$100 (or

portion thereof) of the total consideration paid for the transfer of the property. A mortgage requires payment of a documentary stamp tax and an intangible tax. The rate for the documentary stamp tax is \$0.35 per \$100 (or portion thereof) of the amount of the mortgage. The rate for the intangible tax is \$0.20 per \$100 (or portion thereof) of the amount of the mortgage.

21. When a deed and/or mortgage is recorded in the County Recorder's Office, the document is stamped, and the stamp reflects, among other things, the date and time the document was recorded and the amount of taxes paid.

COUNTS 1-8
MAIL FRAUD
(18 U.S.C. §§ 1341 and 2)

1. Paragraphs 1 through 21 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. From in or around March 2007, and continuing through in or around August 2008, the exact dates being unknown to the grand jury, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

SERGEJ TEWS,

did knowingly and with intent to defraud, devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and did knowingly cause to be delivered certain mail matter by the United States Postal Service and by private or commercial interstate carrier, according to the directions thereon.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for the defendant to unlawfully enrich himself by, among other things: (a) inducing owners of properties with outstanding mortgages to transfer their properties to him; (b) filing false and fraudulent warranty deeds purporting that each property was sold for hundreds of thousands of dollars, when it was not; (c) filing fraudulent mortgages that falsely suggested that supposed lending companies, which, in fact, belonged to the defendant, loaned money to finance the purported purchases of the properties, when, in truth, no money was loaned; (d) foreclosing on the false and fraudulent mortgages; (e) inducing third-party purchasers to bid on and, in some instances, pay for the properties at foreclosure sales while concealing the existence of the actual, outstanding mortgages from those purchasers; and (f) receiving the fraudulently obtained sale proceeds for his personal use and benefit.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

The manner and means by which the defendant sought to accomplish the purpose of the scheme and artifice included, among others, the following:

4. **SERGEJ TEWS** identified property owners who, for financial reasons, were interested in relieving themselves of their mortgage payments.

5. In exchange for **SERGEJ TEWS's** promise to assume payments on any outstanding mortgages and, in some instances, an additional nominal payment between \$1,000 and \$3,500 per property, **TEWS** induced each identified homeowner to agree to transfer his/her property to him.

6. **SERGEJ TEWS** then caused false and fraudulent warranty deeds to be prepared and executed, which gave the appearance that the properties were sold to a third party, not

simply transferred to **TEWS**. In each instance, the person listed on the fraudulent warranty deed as the purported purchaser of the property was a relative of **TEWS**. However, none of **TEWS**'s relatives provided money to the alleged seller to purchase any of the properties, none was the true owner of any of the properties, and none made payments on any of the outstanding mortgages.

7. **SERGEJ TEWS** then caused the false and fraudulent warranty deeds to be filed at the County Recorder's Office. Upon the filing of the deeds, **TEWS** fabricated an amount paid for each property and then paid the documentary stamp tax based on the false amount. In so doing, **TEWS** made it appear as if each property had been purchased in an arm's length transaction for the falsely represented amount, when, in fact, that was not the case.

8. **SERGEJ TEWS** caused a number of supposed lending companies to be incorporated, giving each company a name notably similar to a mortgage lender already registered to do business in the State of Florida. For example, **TEWS** incorporated the following companies: Argent Mortgages, LLC, closely named after Argent Mortgage Company, LLC; Fremont Lending, LLC closely named after Fremont Investment & Loan Company; and New Century Mortgages, LLC closely named after New Century Mortgage Corporation.

9. With respect to each of the properties transferred by the homeowners, **SERGEJ TEWS** caused two false and fraudulent mortgages to be prepared, executed and filed in the County Recorder's Office. The filed mortgages made it appear as though each of **TEWS**'s relatives had borrowed money from **TEWS**'s supposed lending companies to purchase the properties. However, none of **TEWS**'s companies had loaned any money in connection with the property transfers, and none of the mortgages ever were funded.

10. The manner in which **SERGEJ TEWS** caused the mortgages to be prepared and filed made them appear to be genuine and legitimate. In addition to using companies with deceptively similar names to established lenders, **TEWS** also caused each mortgage to be dated and filed on the same date as each warranty deed, making it appear as though the purported purchaser of each property (**TEWS's** relative) borrowed money on the same date to help finance the alleged purchase of the property. **TEWS** also paid the filing taxes for each mortgage, further suggesting that the mortgage loans actually had been given to the purported borrowers (**TEWS's** relatives).

11. Although **SERGEJ TEWS's** companies had not lent any money and there was no loan upon which **TEWS's** relatives could have defaulted, **TEWS** initiated foreclosure proceedings on his false and fraudulent mortgages approximately three months after the transfer of each property from the original owner. For each property, **TEWS** caused the foreclosure action to be brought in the name of one of his supposed lending companies against the purported borrower (**TEWS's** relative).

12. Between the time that the properties were transferred to **SERGEJ TEWS's** relatives and shortly after each foreclosure action was initiated, **TEWS** paid the monthly mortgage payments on the actual outstanding mortgages on the properties to temporarily prevent the actual, legitimate lenders from foreclosing on the properties.

13. In each of **SERGEJ TEWS's** foreclosure actions, **TEWS** filed affidavits with the court alleging that the purported borrower (**TEWS's** relative) was in default, which lead to the court's issuance of a Final Judgment of Foreclosure in favor of the supposed foreclosing lender, **TEWS's** company. In each case, the Office of the Clerk of the Court mailed the Final Judgment of Foreclosure to, among others, the allegedly defaulting borrower (**TEWS's** relative).

14. Once the court mailed out the Final Judgments of Foreclosure and scheduled sale dates, **SERGEJ TEWS** caused the properties to be auctioned off at foreclosure sales. Deceived by the false and fraudulent warranty deeds and mortgages into believing that there were no pre-existing mortgages on the properties, third-parties bid on and sometimes purchased the properties at auction.

15. After the third-party purchasers paid for the properties by tendering money to the court, the court issued checks to **SERGEJ TEWS** in the names of his companies posing as foreclosing lenders. **TEWS** opened bank accounts in the names of those purported foreclosing lenders and deposited the checks into those accounts. Pursuant to his fraudulent scheme, **TEWS** received approximately \$615,900.

USE OF THE MAILS

16. On or about the dates enumerated as to each Count below, the defendant, for the purpose of executing and in furtherance of the scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, did knowingly cause to be delivered certain mail matter by the United States Postal Service and by a private or commercial interstate carrier, according to the directions thereon, as more particularly described below.

COUNT	APPROX. DATE	DESCRIPTION OF MAILING
1	October 4, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to A.M., the purported defaulting borrower, relating to the foreclosure of the property located at 14890 SW 307 th Street, Homestead, FL.
2	October 11, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to A.M., the purported defaulting borrower, relating to the foreclosure of the property located at 30411 SW 148 th Court, Homestead, FL.

COUNT	APPROX. DATE	DESCRIPTION OF MAILING
3	October 15, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to I.A., the purported defaulting borrower, relating to the foreclosure of the property located at 16445 Collins Avenue, #526, Sunny Isles Beach, FL.
4	October 30, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to A.P., the purported defaulting borrower, relating to the foreclosure of the property located at 10802 SW 244 th Terrace, Miami, FL.
5	November 8, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to E.A., the purported defaulting borrower, relating to the foreclosure of the property located at 14831 SW 153 rd Terrace, Homestead, FL.
6	November 14, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to E.A., the purported defaulting borrower, relating to the foreclosure of the property located at 1791 SE 20 th Road, Homestead, FL.
7	December 10, 2007	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to I.A., the purported defaulting borrower, relating to the foreclosure of the property located at 1155 Brickell Bay Drive, #2201, Miami, FL.
8	January 3, 2008	Judgment of Foreclosure from the Miami-Dade County Courthouse sent by U.S. mail to A.P., the purported defaulting borrower, relating to the foreclosure of the property located at 27922 SW 162 nd Court, Homestead, FL.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 9
UNAUTHORIZED USE OF AN ACCESS DEVICE
(18 U.S.C. §§ 1029(a)(2) and 2)

Beginning on or about August 2, 2007 and continuing through on or about August 14, 2007, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

SERGEJ TEWS,

did knowingly and with the intent to defraud use one or more unauthorized access devices, during any one-year period, that is, Chase Visa credit card # xxxx-xxxx-xxxx-8146 in the name of D.E., and by such conduct, obtained anything of value aggregating \$1,000 or more during that period, said conduct affecting interstate and foreign commerce, in violation of Title 18, United States Code, Sections 1029(a)(2) and 2.

COUNTS 10-22
AGGRAVATED IDENTITY THEFT
(18 U.S.C. § 1028A(a)(1))

On or about the dates set forth below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

SERGEJ TEWS,

during and in relation to a felony violation of Title 18, United States Code, Section 1029(a)(2), as set forth in Count 9, did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person, as set forth below in the individual counts:

COUNT	DATE	MEANS OF IDENTIFICATION
10	August 2, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
11	August 3, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
12	August 4, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
13	August 5, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
14	August 6, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."

COUNT	DATE	MEANS OF IDENTIFICATION
15	August 7, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
16	August 8, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
17	August 9, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
18	August 10, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
19	August 11, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
20	August 12, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
21	August 13, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."
22	August 14, 2007	Chase Visa credit card bearing the account number xxxx-xxxx-xxxx-8146 in the name of an individual with the initials "D.E."

In violation of Title 18, United States Code, Section 1028A(a)(1).

FORFEITURE ALLEGATIONS

1. The allegations of Counts 1 through 9 of this Indictment are realleged and by this reference fully incorporated herein for the purpose of alleging forfeitures to the United States of America of certain property in which the defendant, **SERGEJ TEWS**, has an interest, pursuant to the provisions of Title 18, United States Code, Sections 982(a)(2) and 981(a)(1)(C), made applicable hereto through the provisions of Title 28, United States Code, Section 2461 and the procedures outlined at Title 21, United States Code, Section 853.

2. Upon conviction of any of the offenses charged in Counts 1 through 9 of this Indictment, the defendant, **SERGEJ TEWS**, shall forfeit to the United States: any property

constituting, or derived from, proceeds the defendant obtained, directly or indirectly, as the result of such violations.

3. The property subject to forfeiture includes but is not limited to: the contents of Wachovia Bank account number 2000023610035 in the name of Precision Private Investments Corp. up to the amount of \$622,630.

4. Pursuant to Title 21 United States Code, Section 853(p), if any of the forfeitable property, or any portion thereof, as a result of any act or omission of the defendant:

- (A) cannot be located upon the exercise of due diligence;
- (B) has been transferred, or sold to, or deposited with a third party;
- (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;

it is the intent of the United States to seek the forfeiture of other property of the defendant up to the value of the above-described forfeitable property, and, in addition, to require the defendant to return any such property to the jurisdiction of the court for seizure and forfeiture.

All pursuant to Title 18, United States Code, Sections 982(a)(2) and 981(a)(1)(C) made applicable hereto through the provisions of Title 28, United States Code, Section 2461 and the procedures outlined at Title 21, United States Code, Section 853.

ATRUE BILL
FOREPERSON

R. Alexander Acosta

R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY

Joseph B. Shumofsky

JOSEPH B. SHUMOFSKY
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

SERGEJ TEWS,

Defendant.

Superseding Case Information:

Court Division: (Select One)

Miami Key West
 FTL WPB FTP

New Defendant(s) Yes _____ No _____
Number of New Defendants _____
Total number of counts _____

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No
List language and/or dialect _____

4. This case will take 10 days for the parties to try.

5. Please check appropriate category and type of offense listed below:

(Check only one)	(Check only one)
I 0 to 5 days _____	Petty _____
II 6 to 10 days <u>X</u> _____	Minor _____
III 11 to 20 days _____	Misdem. _____
IV 21 to 60 days _____	Felony <u>X</u> _____
V 61 days and over _____	

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes: Judge: _____ Case No. _____
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) _____

If yes: Magistrate Case No. _____
Related Miscellaneous numbers: _____
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? _____ Yes X No

8. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007? _____ Yes X No

JOSEPH B. SHUMOFSKY
ASSISTANT UNITED STATES ATTORNEY
Court I.D. No. A5501107

*Penalty Sheet(s) attached

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: SERGEJ TEWS

Case No:

Counts #: 1-8

Mail Fraud

Title 18, United States Code, Section 1341

*** Max. Penalty:** Twenty (20) years' imprisonment

Count #: 9

Use of an Unauthorized Access Device

Title 18, United States Code, Section 1029(a)(2)

*** Max. Penalty:** Ten (10) years' imprisonment

Counts #: 10-22

Aggravated Identity Theft

Title 18, United States Code, Section 1028A

*** Max. Penalty:** Two (2) years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeiture that may be applicable.**