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EAST DISTRICT OF LA

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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

BILL OF INFORMATION FOR WIRE FRAUD AND NOTICE OF FORFEITURE

UNITED STATES OF AMERICA

v.

MARK A. HOFMANN

* CRIMINAL NO.

* SECTION:

* VIOLATION: 18 U.S.C. §1343
* 18 U.S.C. §2
*
* * *

13-180

SECT. 6 MAG. 5

The United States Attorney charges that:

COUNT ONE - WIRE FRAUD

A. AT ALL TIMES MATERIAL HEREIN:

1. The defendant, **MARK A. HOFMANN** (hereinafter "**HOFMANN**"), was a real estate developer who resided in San Diego, California.

2. Bolivar Investors Group, L.L.C., ("**Bolivar**") was a limited liability company incorporated in the State of Louisiana that was organized by members of the Crescent River Port Pilots' Association, through which river pilots jointly invest in selected business opportunities.

3. **HOFMANN** was the the owner, operator, or manager of several companies, including Newtrac East-1, L.L.C., and Newtrac II, L.L.C. **HOFMANN**, in his individual capacity and as the representative for Newtrac East-1, L.L.C., and Newtrac II, L.L.C. sought investors to invest approximately \$3,000,000 for the acquisition of an approximately five-acre tract of land adjacent to the Lakeview Regional Medical Center in Covington, Louisiana, within the Eastern District of Louisiana ("the Land"), and the development of two office buildings on that land.

4. Beginning in about late 2008, **HOFMANN** had a series of meetings with representatives from the Board of Directors of Bolivar. During the meetings, **HOFMANN** represented that his company, Newtrac East-1, L.L.C., had already entered into an agreement to purchase the Land, and that **HOFMANN** was seeking equity capital to continue the development of the Land.

5. In early 2009, as a result of these meetings, **HOFMANN** and Bolivar agreed to pursue a joint venture whereby Bolivar would invest approximately \$3,000,000 and **HOFMANN** would invest approximately \$500,000 to purchase and develop the Land.

6. To facilitate the purchase and development of the Land, Bolivar and **HOFMANN** jointly created Newtrac West, L.L.C. ("Newtrac West"), a Louisiana limited liability corporation, on or about February 12, 2009. **HOFMANN** and Bolivar each held a fifty percent ownership interest in Newtrac West.

7. In about January 2009, to further facilitate the purchase and development of the Land, **HOFMANN** and his associate, T.M., opened a bank account in the name of Newtrac West at Citibank, N.A. ("Citibank"), in San Diego, California bearing account number

x8341. **HOFMANN** enjoyed possession of checks that were able to draw on the Newtrac West account. Only T.M. and **HOFMANN** were listed as signatories on the account, and only T.M. and **HOFMANN** actually had access to the Newtrac West bank account.

8. Between on or about January 20, 2009, and July 14, 2009, in accordance with Bolivar's agreement with **HOFMANN**, Bolivar made six (6) deposits into the Newtrac West account at Citibank totaling approximately \$3,000,000. The first payment, in the amount of \$50,000.00, was issued from Bolivar in the form of a check made payable to "Newtrac West."

9. The remaining five (5) payments in the following amounts on about the following dates to be made via wire transfer from Bolivar's Whitney Bank account, located in New Orleans, Louisiana, to Newtrac West's Citibank account, located in San Diego, California:

DATE	AMOUNT
January 26, 2009	\$50,000.00
February 23, 2009	\$600,000.00
March 4, 2009	\$600,000.00
April 3, 2009	\$1,600,000.00
July 14, 2009	\$100,000.00

10. Beginning on about January 26, 2009, and continuing through December 14, 2009, on approximately 24 occasions, **HOFMANN** took funds Bolivar had invested in Newtrac West to purchase and develop the Land and used the funds, without authorization, to repay **HOFMANN'S** personal expenses and debts apart from and unrelated to the purchase or development of the Land. In total, **HOFMANN** misappropriated approximately \$404,264.14 of the money Bolivar invested.

11. Subsequently, **HOFMANN** and others, including T.M., created false or “doctored” bank statements based on the real bank statements for the Newtrac West account that were designed to hide, among other things, the unauthorized withdrawal of funds for **HOFMANN’S** personal use, and, further, to deceive representatives of Bolivar into believing that Newtrac West was in excellent financial condition. **HOFMANN** provided these fraudulent statements to Bolivar’s representatives regularly.

B. THE SCHEME TO DEFRAUD:

12. Beginning at a time unknown but prior to on or about January 26, 2009, and continuing until on or about December 14, 2009, in the Eastern District of Louisiana and elsewhere, the defendant, **MARK A. HOFMANN**, did unlawfully, willfully, and knowingly devise and intend to devise a scheme and artifice to defraud Bolivar and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, well knowing at the time, that the pretenses, representations, and promises would be and were false when they were made, to wit: causing Bolivar to wire money into a bank account under **HOFMANN’S** custody and control for the sole purpose of investing in the Land, when, in truth and in fact, **HOFMANN** intended to use, and did use, a substantial portion of that investment to pay his own debts apart from and unrelated to the purchase or development of the Land, without Bolivar’s knowledge or authorization.

C. THE USE OF THE WIRES:

13. On or about April 3, 2009, in the Eastern District of Louisiana and elsewhere, the defendant, **MARK A. HOFMANN**, for the purpose of executing and attempting to execute the scheme and artifice to defraud and for the purpose of obtaining money and property by means of

false and fraudulent pretenses, representations and promises, did knowingly and willfully cause to be transmitted in interstate commerce certain writing, signs, signals and sounds by means of wire communications from the Eastern District of Louisiana to San Diego, California, specifically from a Whitney Bank branch located in New Orleans, Louisiana to a Citibank branch located in San Diego, California, when he caused Bolivar to send a deposit in the amount of approximately \$1,600,000 from Bolivar's bank account to Newtrac West's bank account, which **HOFMANN** fraudulently represented to be entirely for the purpose of purchasing and developing the Land, when a portion of such funds were actually to be used for **HOFMANN'S** personal use.

All in violation of Title 18, United States Code, Sections 1343 and 2.

NOTICE OF FORFEITURE

1. The allegations of Count 1 of this Bill of Information are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 1343 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461.

2. As a result of the offenses alleged in Count 1, defendant, **MARK A. HOFMANN**, shall forfeit to the United States pursuant to Title 18, United States Code, Sections 1343 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461, any and all property, real or personal, which constitutes or is derived from proceeds traceable to a violation of Title 18, United States Code, Section 1343.

3. If any of the property subject to forfeiture pursuant to Paragraph 2 of this Notice of Forfeiture, as a result of any act or omission of the defendant:

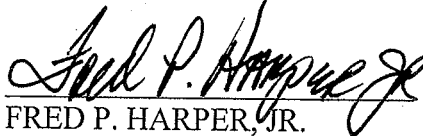
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot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

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

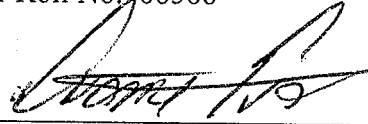
All in violation of Title 18, United States Code, Sections 1343 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461.



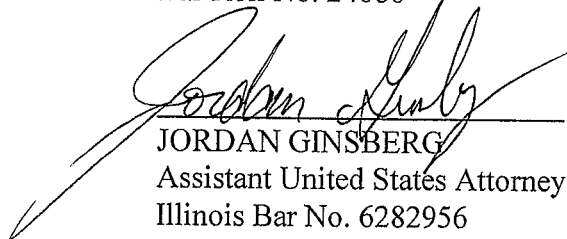
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New Orleans, Louisiana
August 20, 2013

