

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT SUPERSEDING

OFFENSE CHARGED

Count One: 15 U.S.C. Section 1 - Bid Rigging (Alameda County) Petty
Count Two: 18 U.S.C. Section 1349 - Conspiracy to Commit Mail Fraud (Alameda County) Minor Misdemeanor Felony

PENALTY: Maximum Terms for Count 1: (1) 10 years prison; (2) fine of \$1 million; (3) 3 years supervised release; (4) \$100 special assessment; and (5) Restitution. Maximum Terms for Count 2: (1) 30 years prison; (2) fine of \$1 million; (3) 5 years supervised release; (4) \$100 special assessment; and (5) Restitution.

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Federal Bureau of Investigation

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of: U.S. ATTORNEY DEFENSE } SHOW DOCKET NO.

this prosecution relates to a pending case involving this same defendant } MAGISTRATE CASE NO.

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person Furnishing Information on this form Albert Sambat, Dept of Justice

U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned)

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA OAKLAND DIVISION

DEFENDANT - U.S.

Charles Gonzales

DISTRICT COURT NUMBER

CR14-00099

JSW

FILED FEB 25 2014 RICHARD W. WIEKING U.S. DISTRICT COURT OAKLAND

DEFENDANT

IS NOT IN CUSTODY

- Has not been arrested, pending outcome this proceeding.
1) If not detained give date any prior summons was served on above charges
2) Is a Fugitive
3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
5) On another conviction } Federal State
6) Awaiting trial on other charges
If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY Month/Day/Year

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT Bail Amount: None

If Summons, complete following: Arraignment Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: Before Judge:

Comments:

PENALTY SHEET

Individual: Charles Gonzales

15 U.S.C. § 1 – Bid Rigging (Count 1)

Maximum Penalties:

1. A term of imprisonment of 10 years
2. A fine of \$1 million, or two times the gross gain or loss, whichever is greater
3. A period of supervised release of not more than 3 years
4. \$100 special assessment per count (\$100)
5. Restitution

18 U.S.C. § 1349 – Conspiracy to Commit Mail Fraud (Count 2)

Maximum Penalties:

1. A term of imprisonment of 30 years
2. A fine of \$1 million
3. A period of supervised release of not more than 5 years
4. \$100 special assessment per count (\$100)
5. Restitution

1 E. KATE PATCHEN (NYRN 4104634)
2 ALBERT B. SAMBAT (CSBN 236472)
3 MICAH L. WYATT (CSBN 267465)
4 GABRIEL MARTINEZ (CSBN 275142)
5 JEANE HAMILTON (CSBN 157834)
6 U.S. Department of Justice
7 Antitrust Division
8 450 Golden Gate Avenue
9 Box 36046, Room 10-0101
10 San Francisco, CA 94102
11 albert.sambat@usdoj.gov
12 Telephone: (415) 934-5300

FILED
FEB 25 2014

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

13 Attorneys for the United States

14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA
16 OAKLAND DIVISION

CR14-00099

JSW

17 UNITED STATES OF AMERICA

) Criminal No.

) **INFORMATION**

18 v.

) VIOLATIONS: 15 U.S.C. § 1 –

) Bid Rigging (Count One);

) 18 U.S.C. § 1349 – Conspiracy to

) Commit Mail Fraud (Count Two)

19 CHARLES GONZALES,

20 Defendant.

21 The United States of America, acting through its attorneys, charges:

22 CHARLES GONZALES,

23 the defendant herein, as follows:

24 BACKGROUND

25 1. At all times relevant to this Information, when California homeowners defaulted
26 on their mortgages, mortgage holders could institute foreclosure proceedings and sell the
27 properties through non-judicial public real estate foreclosure auctions (“public auctions”). These
28 public auctions were governed by California Civil Code, Section 2924, *et seq.* Typically, a

1 trustee was appointed to oversee the public auctions. These public auctions usually took place at
2 or near the courthouse of the county in which the properties were located. The auctioneer, acting
3 on behalf of the trustee, sold the property to the bidder offering the highest purchase price.
4 Proceeds from the sale were then used to pay the mortgage holders, other holders of debt secured
5 by the property, and, in some cases, the defaulting homeowner (collectively, “beneficiaries”).

6 COUNT ONE: 15 U.S.C. § 1 – Bid Rigging (Alameda County)

7 THE COMBINATION AND CONSPIRACY

8 2. Beginning as early as April 2009 and continuing until in or about October 2010,
9 the defendant, CHARLES GONZALES, and co-conspirators entered into and engaged in a
10 combination and conspiracy to suppress and restrain competition by rigging bids to obtain
11 selected properties offered at public auctions in Alameda County in the Northern District of
12 California, in unreasonable restraint of interstate trade and commerce, in violation of the
13 Sherman Act, Title 15, United States Code, Section 1.

14 3. The charged combination and conspiracy consisted of a continuing agreement,
15 understanding, and concert of action among the defendant and his co-conspirators to suppress
16 competition by agreeing to refrain from or stop bidding against each other to purchase selected
17 properties at public auctions in Alameda County at non-competitive prices.

18 4. For the purpose of forming and carrying out the charged combination and
19 conspiracy, the defendant and his co-conspirators did those things that they combined and
20 conspired to do, including, among other things:

21 a. agreeing not to compete to purchase selected properties at public auctions
22 in Alameda County;

23 b. designating which conspirator would win the selected properties at the
24 public auctions for the group of conspirators; and

25 c. refraining from or stopping bidding for the selected properties at the
26 public auctions.

27 //

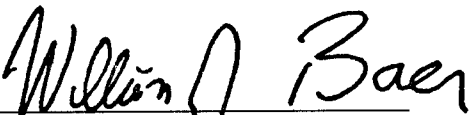
28 //

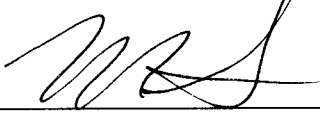
1 12. For the purpose of executing the scheme and artifice to defraud and attempting to
2 do so, the defendant and his co-conspirators knowingly used and caused to be used the United
3 States Postal Service and private or commercial interstate carriers. For example, trustees used
4 the United States mail and private or commercial interstate carriers to transmit the Trustee's
5 Deeds Upon Sale and other title documents to participants in the conspiracy. These mailings
6 were foreseeable to the defendant in the ordinary course of business.

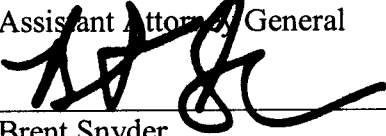
7 JURISDICTION AND VENUE

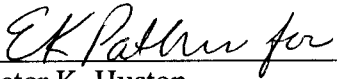
8 13. The combination, conspiracy, and agreement to violate Title 18, United States
9 Code, Section 1341 charged in this Information was carried out, in part, in the Northern District
10 of California, within the five years preceding the filing of this Information.

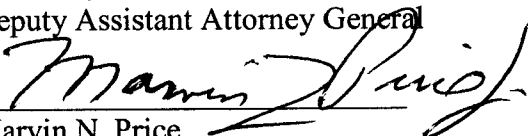
11 ALL IN VIOLATION OF TITLE 18, UNITED STATES CODE, SECTION 1349.

12 
13 _____
14 William J. Baer
15 Assistant Attorney General

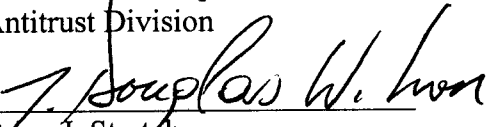






16 Brent Snyder
17 Deputy Assistant Attorney General
18 

19 Albert B. Sambat
20 E. Kate Patchen
21 Micah L. Wyatt
22 Gabriel Martinez
23 Jeane Hamilton
24 Trial Attorneys
25 U.S. Department of Justice
26 Antitrust Division

19 Marvin N. Price
20 Director of Criminal Enforcement
21 United States Department of Justice
22 Antitrust Division
23 

22 Brian J. Stretch
23 Attorney for the United States
24 Acting under Authority Conferred
25 by 28 U.S.C. § 515

United States District Court
Northern District of California

FILED *a*
FEB 25 2014

CRIMINAL COVER SHEET

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

Instructions: Effective January 3, 2012, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case. Please place this form on top of the Defendant Information Form.

Case Name:

USA v. CHARLES GONZALES

Case Number:

CR14-00099

Total Number of Defendants:

1 2-7 _____ 8 or more _____

Is This Case Under Seal?

Yes _____ No

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326?

Yes _____ No

Venue (Per Crim. L.R. 18-1):

SF _____ OAK SJ _____

Is this a death-penalty-eligible RICO Act gang case?

Yes _____ No

Assigned AUSA (Lead Attorney):

Albert Sambat

Comments:

Date Submitted:

February 25, 2014

PRINT