

FILED

2014 JUN -4 PM 3:06

CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 2013 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

SAMUEL PAUL BAIN,  
aka "Paul Bain,"  
AMINULLAH SARPAS,  
aka "Amin Sarpas,"  
aka "David Sarpas,"  
DAMON GRANT CARRIGER, and  
LOUIS SAGGIANI,

Defendants.

SA CR No. 14

**CR 14 00080**

I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy to  
Commit Mail and Wire Fraud;  
18 U.S.C. § 1341: Mail Fraud;  
18 U.S.C. § 1343: Wire Fraud;  
18 U.S.C. § 1956(a)(1)(B)(i):  
Money Laundering; 18 U.S.C.  
§ 2(a): Aiding and Abetting; 18  
U.S.C. § 2(b): Causing an Act to  
be Done]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 371]

A. INTRODUCTORY ALLEGATIONS

Unless otherwise specified, at all times relevant to this  
Indictment:

1. U.S. Homeowners Relief, Inc., which also did business as  
Greenleaf Modify and Greenleaf ("U.S. Homeowners"), was a California  
corporation that operated out of offices in Irvine, California, and

TCR

1 Santa Ana, California, within the Central District of California. In  
2 or about late-2008 and continuing through 2009, U.S. Homeowners  
3 transacted business and solicited customers in the Central District  
4 of California and elsewhere, targeting mortgage borrowers under  
5 financial duress and purportedly offering mortgage loan modification  
6 services to those borrowers in exchange for a substantial advance  
7 fee.

8 2. Waypoint Law Group, Inc. ("Waypoint") was a California  
9 corporation that also owned the fictitious business name "American  
10 Lending Review." Waypoint operated out of the same offices in Irvine  
11 and Santa Ana, California, as U.S. Homeowners. From in or about mid-  
12 2009, and continuing into early 2010, Waypoint transacted business in  
13 the Central District of California and elsewhere. Like U.S.  
14 Homeowners, Waypoint targeted mortgage borrowers under financial  
15 duress and purported to offer mortgage loan modification services to  
16 such financially-distressed homeowners in exchange for a substantial  
17 advance fee.

18 3. American Lending Review, Inc., which also did business as  
19 American Lending Resource, ALR Services, and American Law Center  
20 (collectively, "American Lending"), was a California corporation  
21 which operated from addresses in Newport Beach, Garden Grove, and  
22 Westminster, California, within the Central District of California.  
23 Starting in or about late-2009 and continuing into 2010, American  
24 Lending transacted business and solicited customers in the Central  
25 District of California and elsewhere, and it essentially engaged in a  
26 continuation of the business activities of U.S. Homeowners and  
27 Waypoint described above.

1           4. Defendant SAMUEL PAUL BAIN ("defendant BAIN"), also known  
2 as ("aka") "Paul Bain," was an officer, director, owner, and  
3 principal of U.S. Homeowners, Greenleaf Modify, Waypoint, and  
4 American Lending ("the entities"). Defendant BAIN controlled and  
5 directed the marketing and business activities of the entities and of  
6 the employees and independent contractors who worked for these  
7 entities.

8           5. Defendant AMINULLAH SARPAS ("defendant SARPAS"), aka "Amin  
9 Sarpas," aka "David Sarpas," was an officer, owner, and principal of  
10 the entities. Defendant SARPAS supervised and directed the loan  
11 processing and business activities of the employees and independent  
12 contractors who worked for the entities, which he exercised joint  
13 control over with defendant BAIN. Defendant SARPAS also signed  
14 checks and controlled payroll for the entities.

15           6. Defendant DAMON GRANT CARRIGER ("defendant CARRIGER") was a  
16 director of operations, principal sales manager, and sales agent for  
17 U.S. Homeowners and Greenleaf Modify. Defendant CARRIGER supervised  
18 and directed the activities of various sales teams and employees that  
19 solicited loan modification customers for U.S. Homeowners and its  
20 related entities, as well as directly serving as a sales agent for  
21 individual customers.

22           7. Defendant LOUIS SAGGIANI ("defendant SAGGIANI") was a  
23 manager and chief accountant for the entities. Defendant SAGGIANI  
24 was responsible for bookkeeping, collecting advance fees from  
25 customers, making payments to employees, monitoring the entities'  
26 bank accounts, addressing complaints and demands for refunds from  
27 customers defrauded through the scheme described herein, and  
28

1 responding to inquiries from law enforcement and state regulatory  
2 agencies.

3 B. THE OBJECTS OF THE CONSPIRACY

4 8. Beginning as early as in or about December 2008, and  
5 continuing to in or about spring 2010, in Orange County, within the  
6 Central District of California, and elsewhere, defendants BAIN,  
7 SARPAS, CARRIGER, and SAGGIANI (collectively, "the defendants"),  
8 together with unindicted co-conspirators U.S. Homeowners, Greenleaf  
9 Modify, Waypoint, and American Lending, and others known and unknown  
10 to the Grand Jury, knowingly combined, conspired, and agreed to  
11 commit the following offenses against the United States: (1) mail  
12 fraud, in violation of Title 18, United States Code, Section 1341;  
13 and (2) wire fraud, in violation of Title 18, United States Code,  
14 Section 1343.

15 C. THE MANNER AND MEANS OF THE CONSPIRACY

16 9. The objects of the conspiracy were carried out, and to be  
17 carried out, in substance, as follows:

18 a. Defendants and their co-conspirators, together with  
19 others known and unknown to the Grand Jury, solicited potential  
20 victims of the scheme described herein - - particularly, financially-  
21 distressed homeowners (the "victim customers") -- through a variety  
22 of means, including telemarketing, television and radio  
23 advertisements, Internet websites, and direct mailings. In  
24 connection with the advertising, marketing, promotion, or offering  
25 for sale of mortgage loan modification services offered by the  
26 entities in this manner, the defendants and their co-conspirators,  
27 and others acting at their direction, represented directly or  
28 indirectly, expressly or by implication, that customers who purchased

1 the entities' services would be highly likely to obtain a mortgage  
2 loan modification that would make their mortgage payments  
3 substantially more affordable, e.g., by reducing their long-term  
4 interest rate and/or by obtaining a reduction of their loan  
5 principal. In truth and in fact, as defendants then well knew, the  
6 victim customers who paid the entities for loan modification services  
7 were not in fact likely to obtain a modification of their mortgage  
8 loans that would make their mortgage payments substantially more  
9 affordable. Instead, many victim customers did not receive anything  
10 of value from the entities in return for the fees that they had paid.

11       b. In order to be eligible for defendants' loan  
12 modification services, defendants and their co-conspirators, together  
13 with others known and unknown to the Grand Jury, generally required  
14 customer victims to pay an upfront fee ("advance fee") ranging from  
15 \$1,450 to \$4,200. Defendants, and others acting at their direction,  
16 told customer victims, either expressly or by implication, that if  
17 the entities failed to secure the promised mortgage loan  
18 modifications, the victims would receive a full refund of their  
19 advance fee. In truth and in fact, as defendants then well knew, in  
20 many instances defendants and the entities did not provide a full or  
21 even a partial refund of the customer victims' advance fees, even if  
22 they failed to obtain a satisfactory loan modification for the  
23 customer victims. Instead, in many instances, defendants either  
24 ignored requests from customer victims for a refund or employed a  
25 variety of stalling tactics to deflect customer victims' repeated  
26 demands for refunds.

27       c. In several instances, as part of their advertising and  
28 telemarketing strategy and in order to bolster their credibility, the

1 defendants and their co-conspirators implicitly claimed to be  
2 affiliated either with a government entity or a government program  
3 that was designed to offer relief to homeowners who were subject to  
4 onerous mortgage payment obligations in 2008 and 2009, following the  
5 deep contraction in the economy and housing market in the second half  
6 of 2008. For instance, several of the entities' websites included  
7 pages entitled "Government Mortgage Relief Program," and would  
8 provide a telephone number belonging to the entities as the number to  
9 "call now" for government mortgage relief. At defendants' direction,  
10 telemarketers employed at the entities told potential customers that  
11 their mortgage payments would be reduced as part of the "Obama Act,"  
12 which they represented was designed to make mortgage payments more  
13 affordable, or as part of the federal stimulus program. The  
14 promotional materials for the entities also included official  
15 government logos, links to government websites such as  
16 "www.MakingHomeAffordable.gov," and other materials that gave the  
17 false impression that the entities were affiliated with government  
18 programs or initiatives regarding mortgage debt relief. In truth and  
19 in fact, as defendants then well knew, the entities were not in any  
20 way affiliated with any government program or initiative regarding  
21 mortgage debt relief, nor were they authorized to provide assistance  
22 from any government program designed to help distressed homeowners.

23 d. In collecting advance fees from customers, defendants,  
24 their co-conspirators, and others acting at their direction falsely  
25 represented that: (1) U.S. Homeowners was a real estate broker,  
26 licensed by the California Department of Real Estate; (2) the advance  
27 fees paid by the customer victims to U.S. Homeowners would be placed  
28 in a trust account, which would be treated as trust funds of the



1 client, and not as funds of an agent; (3) U.S. Homeowners would only  
2 withdraw funds from the customers' trust account to the extent that  
3 itemized services were actually performed for the customers' benefit;  
4 and (4) U.S. Homeowners would provide a verified accounting of such  
5 services to the customer victims at the end of each calendar quarter.  
6 In truth and in fact, as defendants then well knew, (1) U.S.  
7 Homeowners was not a real estate broker that was licensed by the  
8 California Department of Real Estate; (2) U.S. Homeowners did not  
9 maintain specified trust accounts for individual customers, but  
10 instead deposited customer victims' fees into a general business  
11 account that defendants used to pay sales commissions, cover  
12 operating expenses for the entities, and enrich themselves; and  
13 (3) U.S. Homeowners did not provide individual customers with a  
14 verified accounting at the end of each calendar quarter to justify  
15 their withdrawal and use of customers' advance fees.

16 e. Defendants, their co-conspirators, and others acting  
17 at their direction, advised customer victims who paid the entities  
18 for loan modification services that, in order to maximize their  
19 chances of obtaining a loan modification and in order to avoid any  
20 confusion with their lender, that they should (1) stop making  
21 mortgage payments on their existing mortgages, and (2) not have any  
22 contact with their lenders. In truth and in fact, as defendants then  
23 well knew, these steps would not increase the customer victims'  
24 chances of obtaining a loan modification from their lender. Instead,  
25 defendants, along with others acting at their direction, wanted  
26 customer victims to stop making their monthly mortgage payments so  
27 that they would have those funds available to pay defendants' advance  
28 fees. Further, defendants, along with others acting at their

1 direction, instructed customer victims not to have any contact with  
2 their lenders because they did not want the customer victims to learn  
3 that the defendants and their co-conspirators had not been in contact  
4 with their lenders and were not making significant efforts towards  
5 obtaining a modification of the customer victims' loans.

6 f. Defendants, their co-conspirators, and others acting  
7 at their direction, told certain customer victims that they had  
8 engaged a particular attorney to work on the customer victim's case,  
9 and that the attorney would be negotiating with their lender to  
10 secure a loan modification on their behalf. Although defendants at  
11 times had one or more attorneys on staff to address certain legal  
12 issues, in truth and fact, and as defendants then well knew, these  
13 attorneys did not do a significant amount of work for individual  
14 customer victims, nor were the attorneys responsible for negotiating  
15 with lenders to obtain loan modifications for specific customer  
16 victims.

17 g. Defendants, their co-conspirators, and others acting  
18 at their direction, hired a large team of sales agents and  
19 telemarketers to solicit financially-distressed homeowners and  
20 convince them to pay advance fees to the entities. Defendants hired  
21 a significantly smaller number of unlicensed loan processors  
22 ("processors") to obtain customer victims' financial information and  
23 to contact lenders to seek favorable modifications of the customer  
24 victims' loans. In truth and fact, and as defendants then well knew,  
25 the small number of processors employed at the entities was not  
26 sufficient to effectively negotiate and obtain the large number of  
27 promised loan modifications for customer victims. Instead, as  
28 defendants then well knew, the real purpose of employing the



1 processors was not to obtain loan modifications for the victim  
2 customers, but was instead to create the false and misleading  
3 impression that the entities were preparing to negotiate with the  
4 lenders on the customer victims' behalf at the time that they were  
5 continuing to solicit advance fees from them. Once defendants and  
6 their co-conspirators collected the full amount of advance fees owed  
7 by the customer victims, defendants and their co-conspirators scaled  
8 back the attention paid to those particular customer victims, and  
9 their loan modification requests, and would often ignore or deflect  
10 further customer inquiries regarding the status of their promised  
11 loan modifications.

12 h. Because defendants' and the entities' business  
13 practices generated a large number of public customer complaints  
14 lodged with the Better Business Bureau and other consumer and  
15 governmental agencies, defendants operated a series of successive  
16 companies that had no apparent connection to one another, including  
17 Greenleaf Modify, U.S. Homeowners, Waypoint, and American Lending.  
18 In general, defendants and their co-conspirators abandoned the use of  
19 one corporate or assumed business name to take up the next, so that  
20 they could secure a fresh start in operating their fraudulent loan  
21 modification businesses and leave their previously-defrauded customer  
22 victims with no point of contact or legal recourse. The deceptive  
23 practices and methods alleged above remained continuous and ongoing  
24 at each entity operated by defendants throughout the duration of the  
25 fraudulent scheme.

26 i. Defendants and their co-conspirators ignored  
27 applicable state laws and regulations that prohibited or limited the  
28 operation of advance fee loan modification businesses. When they

1 received inquiries from the California Department of Justice  
2 ("California DOJ") in or about August 2009 regarding the status of  
3 U.S. Homeowners, defendants BAIN, SARPAS, and SAGGIANI lied to the  
4 California DOJ about the nature of their business, including falsely  
5 representing that U.S. Homeowners was no longer offering loan  
6 modification services. When U.S. Homeowners, doing business as  
7 Greenleaf Modify, defendant BAIN, and defendant SARPAS were served  
8 with a cease and desist order from the California Department of Real  
9 Estate dated November 17, 2009 ("the DRE Order"), which specifically  
10 prohibited them from collecting advance fees for their real estate  
11 related services, defendants BAIN and SARPAS deliberately ignored the  
12 DRE order and continued to collect and receive advance fees from  
13 customer victims for purported loan modification services in  
14 violation of the DRE Order.

15 j. In executing their fraudulent scheme described above,  
16 defendants BAIN, SARPAS, CARRIGER, SAGGIANI, and their co-  
17 conspirators collected millions of dollars in fraudulent advance fees  
18 from hundreds of victims located throughout the United States.

19 D. OVERT ACTS

20 10. In furtherance of the conspiracy, and to accomplish its  
21 objects, defendants BAIN, SARPAS, CARRIGER, and SAGGIANI, together  
22 with unindicted co-conspirators Greenleaf Modify, U.S. Homeowners,  
23 Waypoint, and American Lending, and other co-conspirators known and  
24 unknown to the Grand Jury, committed and willfully caused others to  
25 commit the following overt acts, among others, in the Central  
26 District of California and elsewhere:

27 Overt Act No. 1: On or about December 2, 2008, defendants  
28 BAIN and SARPAS caused to be filed articles of incorporation for U.S.

1 Homeowners in the office of the Secretary of State of the State of  
2 California.

3 Overt Act No. 2: On or about December 26, 2008, defendant  
4 SARPAS caused to be filed with the Clerk-Recorder of Orange County,  
5 California, a fictitious business name statement for Greenleaf  
6 Modify, which identified the registered owner of Greenleaf Modify as  
7 U.S. Homeowners.

8 Overt Act No. 3: In or about January 2009, defendant  
9 CARRIGER contacted victim K.S. by telephone and attempted to persuade  
10 K.S. to use the services of Greenleaf Modify in order to obtain a  
11 mortgage loan modification that would substantially reduce her  
12 combined monthly mortgage payments.

13 Overt Act No. 4: On or about January 6, 2009, defendant  
14 SARPAS sent an email to an employee of Greenleaf Modify attaching a  
15 PowerPoint presentation that gave instructions on how to market  
16 Greenleaf Modify's loan modification program.

17 Overt Act No. 5: On or about February 18, 2009, defendant  
18 CARRIGER falsely assured victim K.S. that Countrywide would stop  
19 hounding her about delinquent mortgage payments because her loan  
20 modification had been "definitely approved."

21 Overt Act No. 6: On or about March 13, 2009, a sales agent  
22 of Greenleaf Modify sent an email to victim M.G. confirming that  
23 Greenleaf Modify would refund M.G.'s advance payment of \$2,950 if it  
24 was not able to lower M.G.'s monthly mortgage payment more than \$300  
25 or was unable to help with his loan modification with Countrywide.

26 Overt Act No. 7: After victim K.S. paid \$1,125 as the third  
27 installment of the required advance fee to Greenleaf Modify in or  
28

1 about early April 2009, defendant CARRIGER did not respond further to  
2 her telephone messages or emails.

3 Overt Act No. 8: On or about April 30, 2009, a sales agent  
4 of U.S. Homeowners falsely assured victim M.E.B. that U.S. Homeowners  
5 was licensed and approved by the California Department of Real  
6 Estate, had been in business for 10 years, had a 97% conversion ratio  
7 on its loan modification program (referring to its success rate), and  
8 would fully refund victim M.E.B.'s advance fee if it failed to obtain  
9 the promised loan modification.

10 Overt Act No. 9: On or about May 8, 2009, a sales agent of  
11 U.S. Homeowners falsely assured victim M.D.C. that U.S. Homeowners  
12 was licensed and approved by the California Department of Real  
13 Estate, had been in business for 10 years, had a 97% conversion ratio  
14 on its loan modification program, and would fully refund victim  
15 M.D.C.'s advance fee if it failed to obtain the loan modification.

16 Overt Act No. 10: On or about May 11, 2009, a sales agent  
17 of U.S. Homeowners sent an interstate email to victim L.Q. stating  
18 that "there is a 100% money-back guarantee" if U.S. Homeowners was  
19 not able to successfully help with a loan modification.

20 Overt Act No. 11: In or about mid-May 2009, a sales agent  
21 of U.S. Homeowners told victim E.H. by telephone that U.S. Homeowners  
22 could offer her a lower mortgage rate, interest and principal, and  
23 that there was no need for victim E.H. to make further mortgage  
24 payments because U.S. Homeowners was working on obtaining her loan  
25 modification.

26 Overt Act No. 12: On or about May 27, 2009, a sales agent  
27 for U.S. Homeowners sent an email to victim M.V. stating that the  
28 retainer fee for the loan modification services of a U.S. Homeowners'

1 attorney would be \$2,950, which was fully refundable if U.S.  
2 Homeowners could not "improve your situation for any unforeseen  
3 reason."

4 Overt Act No. 13: On or about May 29, 2009, a sales agent  
5 of U.S. Homeowners told victim J.C. that the upfront retainer fee for  
6 U.S. Homeowners' attorney was \$4,250, which would be placed in a  
7 trust account until all services were rendered to victim J.C.

8 Overt Act No. 14: On or about June 3, 2009, defendants  
9 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
10 unknown to the Grand Jury, caused victim L.Q. to issue a check  
11 payable to U.S. Homeowners in the amount of \$1,475.

12 Overt Act No. 15: On or about June 8, 2009, defendants  
13 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
14 unknown to the Grand Jury, caused victim A.S. to issue a check  
15 payable to U.S. Homeowners in the amount of \$1,475.

16 Overt Act No. 16: On or about June 9, 2009, defendants  
17 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
18 unknown to the Grand Jury, caused victim B.B. to issue a check  
19 payable to U.S. Homeowners in the amount of \$1,700.

20 Overt Act No. 17: On or about June 9, 2009, a sales agent  
21 for U.S. Homeowners sent an interstate email to victim T.T. assuring  
22 him that U.S. Homeowners had been in business for years, had a 98%  
23 conversion ratio on its loan modification program, and is the only  
24 company to offer a refund policy.

25 Overt Act No. 18: On or about June 10, 2009, defendants  
26 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
27 unknown to the Grand Jury, caused victim M.V. to issue a check  
28 payable to U.S. Homeowners in the amount of \$1,475.

1           Overt Act No. 19: On or about June 22, 2009, defendants  
2 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
3 unknown to the Grand Jury, caused victim S.B. to mail a check in the  
4 amount of \$2,125 to U.S. Homeowners.

5           Overt Act No. 20: On or about June 23, 2009, defendants  
6 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
7 unknown to the Grand Jury, caused victim E.H. to mail a check in the  
8 amount of \$1,475 to U.S. Homeowners.

9           Overt Act No. 21: On or about June 23, 2009, an agent of  
10 U.S. Homeowners sent victim N.F. a package of documents to start the  
11 loan modification process. These documents falsely represented,  
12 among other things, that U.S. Homeowners was a licensed California  
13 real estate broker and that the advance fee required for U.S.  
14 Homeowners' services would be deposited in a managed client trust  
15 account subject to "verified accountings."

16           Overt Act No. 22: On or about June 29, 2009, defendant BAIN  
17 caused victim B.W. to mail a letter to U.S. Homeowners, explaining  
18 her reasons for seeking a refund of the \$3,000 advance fee she had  
19 paid to U.S. Homeowners.

20           Overt Act No. 23: On or about July 2, 2009, defendants  
21 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
22 unknown to the Grand Jury, caused victim B.B. to mail a check in the  
23 amount of \$1,475 to U.S. Homeowners.

24           Overt Act No. 24: On or about July 6, 2009, defendants  
25 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
26 unknown to the Grand Jury, caused victim N.F. to mail a check in the  
27 amount of \$1,950 to U.S. Homeowners.  
28



1           Overt Act No. 25: On or about July 10, 2009, defendants  
2 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
3 unknown to the Grand Jury, caused victim M.E.B. to mail a check in  
4 the amount of \$1,475 to U.S. Homeowners.

5           Overt Act No. 26: On or about July 14, 2009, the processing  
6 department for U.S. Homeowners to send a letter to victim N.F.  
7 confirming his entry into the loan modification program and  
8 cautioning him to "avoid all discussion with lender."

9           Overt Act No. 27: On or about July 14, 2009, defendants  
10 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
11 unknown to the Grand Jury, caused victim M.R.B. to mail payments  
12 totaling \$1,475 to U.S. Homeowners.

13           Overt Act No. 28: On or about July 14, 2009, the processing  
14 department at U.S. Homeowners to send a letter to victim J.R.  
15 confirming his entry in the loan modification program and cautioning  
16 him to "avoid all discussion with lender."

17           Overt Act No. 29: On or about July 17, 2009, defendants  
18 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
19 unknown to the Grand Jury, caused victim R.B. to mail a money order  
20 for \$1,500 to U.S. Homeowners.

21           Overt Act No. 30: On or about July 24, 2009, defendants  
22 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
23 unknown to the Grand Jury, caused victim M.D.C. to mail a check for  
24 \$1,475 to U.S. Homeowners.

25           Overt Act No. 31: On or about July 29, 2009, defendants  
26 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
27 unknown to the Grand Jury, caused victim L.Q. to mail a check for  
28 \$1,475 to U.S. Homeowners.

1           Overt Act No. 32: On or about July 31, 2009, defendants  
2 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
3 unknown to the Grand Jury, caused victim H.C. to mail checks totaling  
4 \$4,250 to U.S. Homeowners.

5           Overt Act No. 33: On or about August 4, 2009, defendants  
6 BAIN, SARPAS, and CARRIGER, acting in concert with others known and  
7 unknown to the Grand Jury, caused victim L.S. to mail checks totaling  
8 \$4,200 to U.S. Homeowners.

9           Overt Act No. 34: On or about August 10, 2009, a sales  
10 agent for U.S. Homeowners sent an interstate email to victim L.H.  
11 that attached an engagement agreement for U.S. Homeowners' loan  
12 modification program. This agreement falsely represented that U.S.  
13 Homeowners was a real estate broker that was licensed by the  
14 California Department of Real Estate. It also falsely stated that  
15 the advance fee for U.S. Homeowners' loan modification program would  
16 be deposited in a managed trust account subject to verified  
17 accountings.

18           Overt Act No. 35: On or about August 11, 2009, defendant  
19 SAGGIANI prepared a draft letter to be submitted to the California  
20 Department of Justice in which U.S. Homeowners falsely represented  
21 that it was no longer offering loan modification services in any form  
22 and no longer accepting new clients.

23           Overt Act No. 36: On or about August 12, 2009, defendant  
24 SAGGIANI sent an email to defendant BAIN attaching a revised version  
25 of the draft letter to the California Department of Justice falsely  
26 represented that U.S. Homeowners was no longer offering loan  
27 modification services.  
28

1           Overt Act No. 37: On or about August 14, 2009, defendant  
2 SARPAS caused a letter, with attachments, to be mailed to the  
3 California Department of Justice. In this letter, defendant SARPAS  
4 falsely stated, under penalty of perjury, that U.S. Homeowners was no  
5 longer offering loan modification services.

6           Overt Act No. 38: On or about mid-August 2009, defendants  
7 BAIN and SARPAS, acting in concert with others known and unknown to  
8 the Grand Jury, caused victim R.B. to mail a check for \$1,450 to U.S.  
9 Homeowners.

10           Overt Act No. 39: In or about the second half of August  
11 2009, the processing department for U.S. Homeowners to send a letter  
12 to victim L.H. confirming her entry into U.S. Homeowners' loan  
13 modification program and cautioning victim L.H. to "avoid all  
14 discussion with lender."

15           Overt Act No. 40: On or about September 18, 2009,  
16 defendants BAIN and SARPAS, acting in concert with others known and  
17 unknown to the Grand Jury, caused victim T.T. to mail a check for  
18 \$1,475 to U.S. Homeowners.

19           Overt Act No. 41: On or about September 24, 2009, defendant  
20 SARPAS caused a letter to be mailed via U.S. Postal Service to the  
21 California Department of Justice. In this letter, defendant SARPAS  
22 again reiterated that U.S. Homeowners was no longer taking on new  
23 files or offering loan modification services.

24           Overt Act No. 42: On or about October 5, 2009, defendants  
25 BAIN and SARPAS, acting in concert with others known and unknown to  
26 the Grand Jury, caused victim A.L. to mail a check for \$3,450 to  
27 Waypoint.

1           Overt Act No. 43: On or about November 10, 2009, defendant  
2 BAIN sent an email to defendant SAGGIANI inquiring about whether  
3 BAIN's name was on the "cease letter" received from the California  
4 Department of Justice regarding U.S. Homeowners' foreclosure  
5 consultant business.

6           Overt Act No. 44: On or about November 11, 2009, defendant  
7 SAGGIANI sent an email to defendant BAIN containing a draft response  
8 to an October 30, 2009 letter from the California Department of  
9 Justice.

10           Overt Act No. 45: On or about November 19, 2009, defendant  
11 SAGGIANI sent an email to defendant BAIN containing a "TO DO LIST,"  
12 dated November 18, 2009, relating to the transition from U.S.  
13 Homeowners to Waypoint.

14           Overt Act No. 46: On or about February 8, 2010, defendant  
15 SAGGIANI sent an email to defendant BAIN reporting that SAGGIANI had  
16 purchased leads for American Lending.

COUNTS TWO THROUGH TWENTY-TWO

[18 U.S.C. §§ 1341, 2(a)]

11. The Grand Jury realleges and incorporates by reference paragraphs 1 through 7 and 9 through 10 of this Indictment as though fully set forth herein.

12. Beginning as early as in or about December 2008, and continuing to in or about the spring of 2010, in Orange County, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, CARRIGER, and SAGGIANI, together with unindicted co-conspirator U.S. Homeowners and Greenleaf Modify, and other co-conspirators known and unknown to the Grand Jury, aiding and abetting one another, knowingly and with the intent to defraud, devised, participated in, and executed a scheme to defraud the customer victims as to material matters, and to obtain money and property from the customer victims, by means of false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

13. The fraudulent scheme operated, in substance, as set forth in paragraphs 1 through 7 and 9 through 10 of this Indictment.

14. On or about the following dates, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, CARRIGER, and SAGGIANI, for the purpose of executing the above-described scheme to defraud, caused the following items to be placed in an authorized depository for mail matter to be delivered by the United States Postal Service, and to be deposited with and delivered by a commercial interstate carrier, according to the directions thereon:

COUNT	DATE	ITEM MAILED
TWO	6/8/2009	Check for \$1,475 payable to U.S. Homeowners from victim A.S. in Miami, Florida, to U.S. Homeowners in Irvine, California
THREE	6/9/2009	Check for \$1,700 payable to U.S. Homeowners from victim B.B. in Palm Desert, California, to U.S. Homeowners in Irvine, California
FOUR	6/10/2009	Check for \$1,475 payable to U.S. Homeowners from victim M.V. in Long Beach, California, to U.S. Homeowners in Irvine, California
FIVE	6/22/2009	Check for \$2,125 payable to U.S. Homeowners from victim S.B. in Ramona, California, to U.S. Homeowners in Irvine, California
SIX	6/23/2009	Check for \$1,475 payable to U.S. Homeowners from victim E.H. in North Las Vegas, Nevada, to U.S. Homeowners in Irvine, California
SEVEN	7/02/2009	Check for \$1,475 payable to U.S. Homeowners from victim B.B. in Palm Desert, California, to U.S. Homeowners in Irvine, California
EIGHT	7/6/2009	Check for \$1,950 payable to U.S. Homeowners from victim N.F. in Phoenix, Arizona, to U.S. Homeowners in Irvine, California
NINE	7/10/2009	Check for \$1,475 payable to U.S. Homeowners from victim M.E.B. in Sparks, Nevada, to U.S. Homeowners in Irvine, California
TEN	7/14/2009	Letter confirming entry into loan modification program from U.S. Homeowners in Irvine, California, to victim N.F. in Phoenix, Arizona
ELEVEN	7/14/2009	Payments to U.S. Homeowners totaling \$1,475 from victim M.R.B. in Carson, California, to U.S. Homeowners in Irvine, California
TWELVE	7/14/2009	Letter confirming entry into loan modification program from U.S. Homeowners in Irvine, California, to victim J.R. in Miami, Florida



COUNT	DATE	ITEM MAILED
THIRTEEN	7/17/2009	Money Order for \$1,500 payable to U.S. Homeowners from victim R.B. in Chaska, Minnesota, to U.S. Homeowners in Irvine, California
FOURTEEN	7/24/2009	Check for \$1,475 payable to U.S. Homeowners from victim M.D.C. in Corpus Christi, Texas, to U.S. Homeowners in Irvine, California
FIFTEEN	7/29/2009	Check for \$1,475 payable to U.S. Homeowners from victim L.Q. in San Diego, California, to U.S. Homeowners in Irvine, California
SIXTEEN	7/31/2009	Checks totaling \$4,250 payable to U.S. Homeowners from victims H.C. and J.C. in Massillon, Ohio, to U.S. Homeowners in Irvine, California
SEVENTEEN	8/04/2009	Checks totaling \$4,200 payable to U.S. Homeowners from victim L.S. in Newark, Delaware, to U.S. Homeowners in Irvine, California
EIGHTEEN	8/14/2009	Letter from U.S. Homeowners in Irvine, California to the California Department of Justice in Los Angeles, California
NINETEEN	Mid-August 2009	Check for \$1,450 payable to U.S. Homeowners from victim R.B. in Chaska, Minnesota, to U.S. Homeowners in Irvine, California
TWENTY	9/18/2009	Check for \$1,475 payable to U.S. Homeowners from victim T.T. in Henderson, Nevada, to U.S. Homeowners in Irvine, California
TWENTY-ONE	9/24/2009	Letter from U.S. Homeowners in Irvine, California, to the California Department of Justice in Los Angeles, California
TWENTY-TWO	11/09/2009	Letter from U.S. Homeowners in Irvine, California, to the California Department of Justice in San Francisco, California

COUNTS TWENTY-THREE THROUGH TWENTY-SEVEN

[18 U.S.C. §§ 1341, 2(a)]

15. The Grand Jury realleges and incorporates by reference paragraphs 1 through 7 and 9 through 10 of this Indictment as though fully set forth herein.

16. Beginning as early as in or about December 2008, and continuing to in or about the spring of 2010, in Orange County, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, and SAGGIANI, together with unindicted co-conspirators U.S. Homeowners, Greenleaf Modify, Waypoint, and American Lending, and other co-conspirators known and unknown to the Grand Jury, aiding and abetting one another, knowingly and with the intent to defraud, devised, participated in, and executed a scheme to defraud the customer victims as to material matters, and to obtain money and property from the customer victims, by means of false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

17. The fraudulent scheme operated, in substance, as set forth in paragraphs 1 through 7 and 9 through 10 of this Indictment.

18. On or about the following dates, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, and SAGGIANI, for the purpose of executing the above-described scheme to defraud, caused the following items to be placed in an authorized depository for mail matter to be delivered by the United States Postal Service, and to be deposited with and delivered by a commercial interstate carrier, according to the directions thereon:

//

//

COUNT	DATE	ITEM MAILED
TWENTY-THREE	Late August 2009	Check for \$1,950 payable to Waypoint from victim O.J.R. in Lauderhill, Florida, to Waypoint in Irvine, California
TWENTY-FOUR	10/05/2009	Check for \$3,450 payable to Waypoint from victim A.L. in Waipahu, Hawaii, to Waypoint in Irvine, California
TWENTY-FIVE	12/07/2009	Check for \$1,500 payable to American Lending from victim E.C. in Ewa Beach, Hawaii, to American Lending in Newport Beach, California
TWENTY-SIX	12/07/2009	Postal Money Order for \$835 payable to American Lending from victim M.H. in Dayton, Ohio, to American Lending in Newport Beach, California
TWENTY-SEVEN	12/17/2009	American Lending documents filled out and sent by victim M.H. in Dayton, Ohio, to American Lending in Newport Beach, California

## COUNTS TWENTY-EIGHT AND TWENTY-NINE

[18 U.S.C. §§ 1343, 2]

19. The Grand Jury realleges and incorporates by reference paragraphs 1 through 7 and 9 through 10 of this Indictment as though fully set forth herein.

20. Beginning as early as in or about December 2008, and continuing to in or about the spring of 2010, in Orange County, within the Central District of California and elsewhere, defendants BAIN, SARPAS, CARRIGER, and SAGGIANI, together with unindicted co-conspirators U.S. Homeowners and Greenleaf Modify, and other co-conspirators known and unknown to the Grand Jury, aiding and abetting one another, knowingly and with the intent to defraud, devised, participated in, and executed a scheme to defraud the customer victims as to material matters, and to obtain money and property from the customer victims by means of material false and fraudulent pretenses, representations, and promises.

21. The fraudulent scheme operated, in substance, as set forth in paragraphs 1 through 7 and 9 through 10 of this Indictment.

22. On or about the following dates, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, CARRIGER, and SAGGIANI transmitted, caused the transmission of, and aided and abetted the transmission of the following items by means of wire and radio communication in interstate and foreign commerce:

COUNT	DATE	ITEM WIRED
TWENTY-EIGHT	6/09/2009	Interstate email from sales agent of U.S. Homeowners in Irvine, California, to victim T.T. in Las Vegas, Nevada, recommending U.S. Homeowners' services

COUNT	DATE	ITEM WIRED
TWENTY- NINE	8/10/2009	Interstate email from sales agent of U.S. Homeowners in Irvine, California, to victim L.H. in Jacksonville, Florida, providing engagement agreement and related materials

## COUNTS THIRTY AND THIRTY-ONE

[18 U.S.C. §§ 1343, 2]

23. The Grand Jury realleges and incorporates by reference paragraphs 1 through 7 and 9 through 10 of this Indictment as though fully set forth herein.

24. Beginning as early as in or about December 2008, and continuing to in or about the spring of 2010, in Orange County, within the Central District of California and elsewhere, defendants BAIN, SARPAS, and SAGGIANI, together with co-conspirators U.S. Homeowners, Greenleaf Modify, Waypoint, and American Lending, and other co-conspirators known and unknown to the Grand Jury, aiding and abetting one another, knowingly and with the intent to defraud, devised, participated in, and executed a scheme to defraud the customer victims as to material matters, and to obtain money and property from the customer victims by means of material false and fraudulent pretenses, representations, and promises.

25. The fraudulent scheme operated, in substance, as set forth in paragraphs 1 through 7 and 9 through 10 of this Indictment.

26. On or about the following dates, within the Central District of California, and elsewhere, defendants BAIN, SARPAS, and SAGGIANI transmitted, caused the transmission of, and aided and abetted the transmission of the following items by means of wire and radio communication in interstate and foreign commerce:

COUNT	DATE	ITEM WIRED
THIRTY	8/24/2009	Interstate email from sales agent of Waypoint in Irvine, California, to victim O.J.R. in Lauderhill, Florida, providing loan program agreement and related materials



COUNT	DATE	ITEM WIRED
THIRTY-ONE	12/02/2009	Interstate email from sales agent of American Lending in Orange County, California, to victim G.M. in Ewa Beach, Hawaii, providing loan program contract and related materials

COUNTS THIRTY-TWO AND THIRTY-THREE

[18 U.S.C. §§ 1956(a)(1)(B)(i), 2(b)]

27. The Grand Jury realleges and incorporates by reference paragraphs 1 through 7 and 9 through 10 of this Indictment as though fully set forth herein.

28. On or about the following dates, in Orange County, within the Central District of California, and elsewhere, defendant BAIN, together with others known and unknown to the Grand Jury, knowing that the property involved in each of the financial transactions described below represented the proceeds of some form of unlawful activity, conducted, and willfully caused others to conduct, the following financial transactions affecting interstate commerce, which transactions in fact involved the proceeds of specified unlawful activity, namely, mail fraud, committed in violation of 18 U.S.C. § 1341, and wire fraud, committed in violation of 18 U.S.C. § 1343, knowing that each of the transactions was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of such specified unlawful activity:

//

//

COUNT	DATE	FINANCIAL TRANSACTION
THIRTY-TWO	6/19/2009	Withdrawal of \$40,000 from U.S. Homeowners Relief account at Wells Fargo Bank ending in 7347 by check number 1534, payable to Maritime Marketing
THIRTY-THREE	7/7/2009	Withdrawal of \$20,000 from U.S. Homeowners Relief account at Wells Fargo Bank ending in 7347 by check number 1719, payable to Maritime Marketing

A TRUE BILL

151  
Foreperson

ANDRÉ BIROTTE JR.  
United States Attorney



ROBERT E. DUGDALE  
Assistant United States Attorney  
Chief, Criminal Division

RICHARD E. ROBINSON  
Assistant United States Attorney  
Chief, Major Frauds Section

JAMES A. BOWMAN  
Assistant United States Attorney  
Deputy Chief, Major Frauds Section

PAUL G. STERN  
Assistant United States Attorney  
Senior Litigation Counsel, Major  
Frauds Section

MONICA E. TAIT  
Assistant United States Attorney  
Major Frauds Section