

Presented to the Court by the foreman of the  
Grand Jury in open Court, in the presence of  
the Grand Jury and FILED in the U.S.  
DISTRICT COURT at Seattle, Washington.

January 26 2017  
WILLIAM M. McCOOL, Clerk  
By [Signature] Deputy

UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

UNITED STATES OF AMERICA,  
Plaintiff

v.

SAM TUTTLE,  
BEN LESKE,  
ANGELA CROZIER, and  
ED ROUNDS  
Defendants.

NO **CR 17-5045 BHS**  
INDICTMENT

The Grand Jury charges that:

**COUNT 1**

**(Conspiracy to Make False Statements on Loan Applications and to Commit Bank Fraud)**

**A. Introduction**

At all times relevant to this Indictment:

1. Pierce Commercial Bank was a financial institution, as that term is defined in Title 18, United States Code, Section 20, which was located in Tacoma, Washington, in that the deposits of Pierce Commercial Bank were insured by the Federal Deposit Insurance Corporation. Pierce Commercial Bank failed in or about November 2010.

2. PC Bank Home Loans was a mortgage lending office of Pierce Commercial Bank and was located in Puyallup, Washington. PC Bank Home Loans was in the business of originating mortgage loans for borrowers seeking to purchase residential real estate. The PC

1 Bank Home Loans office submitted all of the mortgage loans it originated to Pierce Commercial  
2 Bank, which funded the loans.

3 3. The United States Department of Housing and Urban Development ("HUD") was  
4 a governmental entity that provided insurance protection for federally-insured mortgage loans.  
5 The Federal Housing Administration ("FHA") was the organizational unit within HUD that  
6 administered HUD's mortgage insurance program. Before extending loan insurance, HUD/FHA  
7 required borrowers to certify that they were going to occupy the properties for which they were  
8 seeking mortgages. Pierce Commercial Bank underwriters often signed and caused to be signed  
9 underwriting approvals for FHA loans, which caused mortgage loans to be insured by  
10 HUD/FHA.

11 4. Pierce Commercial Bank sold the mortgage loans it funded to secondary  
12 investors, including Countrywide, Wells Fargo, and JP Morgan Chase. Some of these secondary  
13 investors also had deposits insured by the Federal Deposit Insurance Corporation. Before Pierce  
14 Commercial Bank funded mortgage loans, Pierce Commercial Bank required that mortgage loans  
15 be "locked" with particular secondary investors, that is, particular secondary investors agreed in  
16 advance that they would likely purchase the mortgage loans. When the investors purchased  
17 these loans from Pierce Commercial Bank, the investors typically paid via interstate wire transfer  
18 to Pierce Commercial Bank. In the event that there were problems with the mortgage loans that  
19 Pierce Commercial Bank sold to the investors, Pierce Commercial Bank could be required to  
20 repurchase those loans.

21 5. In order to determine borrowers' qualifications for loans, Pierce Commercial  
22 Bank required that borrowers complete mortgage loan applications, which included, among other  
23 documents, Uniform Residential Loan Applications (also known as Form 1003), which are  
24 universally-used mortgage loan application forms used by federal government agencies, financial  
25 institutions, and other lenders. A complete mortgage loan application would consist of a packet  
26 of documents containing all relevant borrower information, including information relating to  
27 employment, monthly income, assets and liabilities, details of the residential real estate  
28 transaction, residential history, other properties owned by the borrower, and whether the property  
would be used as the borrower's primary residence. The Loan Application included an  
"Acknowledgement and Agreement" clause, pursuant to which the borrower acknowledged that

1 the information provided was true and correct. Pierce Commercial Bank extended loans, the  
 2 secondary investors purchased loans, and HUD/FHA extended loan insurance, on the basis of  
 3 these material representations contained in the Uniform Residential Loan Application.

4 6. PC Bank Home Loans loan officers assisted borrowers who wished to obtain  
 5 mortgage loans in filling out their mortgage loan applications. Together with loan applicants,  
 6 loan officers and loan processors gathered and prepared all documents relevant to mortgage loan  
 7 applications.

8 7. Once applications were complete, they were submitted to loan underwriters.  
 9 After reviewing the information and documents in the mortgage loan applications, loan  
 10 underwriters were to approve loans only if the loan applicants were qualified. Upon underwriter  
 11 approval, Pierce Commercial Bank funded mortgage loans.

12 8. Subsequent to Pierce Commercial Bank funding approved mortgage loans, deeds  
 13 of trust were recorded in the counties where properties were located and mailed to Pierce  
 14 Commercial Bank, in Tacoma, Washington.

15 9. Upon funding of their loans, mortgage loan applicants paid fees to Pierce  
 16 Commercial Bank that were typically part of the overall loan amount. When Pierce Commercial  
 17 Bank sold the mortgage loans to secondary investors, the investors also paid fees to Pierce  
 18 Commercial Bank. These fees varied depending on the loan product, the size of the loan, the  
 19 background of the borrower, and other factors. Pierce Commercial Bank used the fees to, among  
 20 other things, pay loan officers, loan processors, loan underwriters, and other employees in the  
 21 form of salaries, commissions, and bonuses.

22 10. Shawn Portmann was employed as a Vice President and loan officer at PC Bank  
 23 Home Loans.

24 11. Alice Barney was employed as Shawn Portmann's personal assistant.

25 12. Craig Meyer was employed as a Vice President and loan officer at PC Bank  
 26 Home Loans.

27 13. SAM TUTTLE was employed as a Vice President and loan officer at PC Bank  
 28 Home Loans.

14. BEN LESKE was employed as a loan officer at PC Bank Home Loans.

15. ANGELA CROZIER was employed as a senior loan processor at PC Bank

1 Home Loans.

2 16. ED ROUNDS was employed as a loan officer at PC Bank Home Loans.

3 **B. The Conspiracy**

4 17. Beginning in or before July 2004, and continuing until in or after July 2008, at  
 5 Puyallup, within the Western District of Washington, and elsewhere, Defendants SAM  
 6 TUTTLE, BEN LESKE, ANGELA CROZIER, and ED ROUNDS, along with Shawn Portmann,  
 7 Craig Meyer, and Alice Barney, and other co-conspirators known and unknown (collectively, the  
 8 "Co-Conspirators"), did knowingly and willfully conspire, combine, confederate and agree  
 9 among themselves to commit offenses in violation of the laws of the United States, to wit:  
 10 knowingly making false statements and reports and willfully overvaluing property for the  
 11 purposes of influencing the action of Pierce Commercial Bank and other federally insured  
 12 financial institutions, in connection with applications for mortgage loans, in violation of Title 18,  
 13 United States Code, Section 1014, and knowingly executing, and attempting to execute, a  
 14 scheme and artifice to defraud Pierce Commercial Bank and other financial institutions to obtain  
 15 moneys, funds, credits, assets, securities, and other property owned by, and under the custody  
 16 and control of, Pierce Commercial Bank and other financial institutions, by means of materially  
 17 false and fraudulent pretenses, representations, and promises, in violation of Title 18, United  
 18 States Code, Section 1344.

18 18. The purpose of the conspiracy was to submit false and fraudulent documents to  
 19 Pierce Commercial Bank in order to cause it to provide mortgage loans to unqualified borrowers,  
 20 and to subsequently sell those mortgage loans on the secondary market to other financial  
 21 institutions. In so doing, the Co-Conspirators sought to enrich themselves by generating fees that  
 22 Pierce Commercial Bank would ultimately pay to them in the form of salaries, commissions,  
 23 fees, and bonuses. During the time they were employed at PC Bank Home Loans, the Co-  
 24 Conspirators originated in excess of 5,000 mortgage loans, representing in excess of \$1 billion in  
 25 loan proceeds.

26 19. Until it failed, Pierce Commercial Bank was regulated by the Board of Governors  
 27 of the Federal Reserve System, was insured by the Federal Deposit Insurance Corporation  
 28 ("FDIC"), and was a member of the Federal Home Loan Bank of Seattle, Washington, from  
 which it had outstanding advances at the time of its failure. The fraudulent schemes detailed in

1 this Indictment contributed to the failure of the bank; hundreds of the loan files issued as part of  
 2 the fraudulent scheme defaulted, causing in excess of \$9.5 million in loss to Pierce Commercial  
 3 Bank, secondary investors, and HUD/FHA. In January 2009, Pierce Commercial Bank received  
 4 \$6,800,000 in federal taxpayer funds under the Capital Purchase Program as part of the Troubled  
 5 Asset Relief Program. After Pierce Commercial Bank closed, it failed to repay all of the  
 6 \$6,800,000 in federal funds and as a result of the bank's failure the Deposit Insurance Fund  
 7 (DIF) suffered approximately \$24,800,000 in losses. Further, some of the loans involved in the  
 8 fraudulent scheme described in this Indictment were owned by Fannie Mae or Freddie Mac,  
 9 resulting in losses to these government-sponsored enterprises.

10 **C. Manner and Means of the Conspiracy**

11 The Co-Conspirators used the following means and acted in the following manner,  
 12 among others, to effect the conspiracy:

13 20. SAM TUTTLE and Craig Meyer jointly operated a branch of Central Pacific  
 14 Mortgage prior to joining Pierce Commercial Bank. In 2004, SAM TUTTLE and Craig Meyer  
 15 finalized plans with Shawn Portmann to jointly run a mortgage lending branch of Pierce  
 16 Commercial Bank, to be known as PC Bank Home Loans.

17 21. It was a part of the conspiracy that, as part of their agreement to run PC Bank  
 18 Home Loans, Shawn Portmann, SAM TUTTLE, and Craig Meyer each was to serve as a Vice-  
 19 President, and the three of them would receive and split 70% of the profits generated by PC Bank  
 20 Home Loans. In so doing, all three of these principals would share in the profits of every loan  
 21 that was closed through PC Bank Home Loans.

22 22. It was a part of the conspiracy that Shawn Portmann, SAM TUTTLE, and Craig  
 23 Meyer created a culture at PC Bank Home Loans where employees were expected to  
 24 successfully close every loan application that came through the office. Under the leadership of  
 25 Portmann, TUTTLE, and Meyer, loan officers would work with loan processors and  
 26 underwriters to ensure that loan applications contained the information necessary to successfully  
 27 fund a loan through Pierce Commercial Bank and its institutional investors, regardless of  
 28 whether the information included in the loan application was true or not.

29 23. It was a part of the conspiracy that the Co-Conspirators and others working at PC  
 30 Bank Home Loans solicited individuals, including through mass marketing, who were seeking to

1 purchase homes, to prepare and submit mortgage loan applications to PC Bank Home Loans,  
2 regardless of whether or not they might qualify for such mortgage loans.

3 24. It was a part of the conspiracy that the Co-Conspirators prepared, and caused  
4 others to prepare, Uniform Residential Loan Applications ("Loan Applications"). The Loan  
5 Application required a prospective borrower to submit a complete and accurate financial history,  
6 including employment information, monthly income, assets and liabilities, details of the  
7 residential real estate transaction, and whether the property would be used as the borrower's  
8 primary residence. The Co-Conspirators, and others acting on their behalf, caused Loan  
9 Applications to be prepared based upon fraudulent representations related to gross monthly  
10 income, employment status, rental status, assets and liabilities, and whether the property would  
11 be used as a primary residence. In some cases, false statements were inserted by the Co-  
12 Conspirators with the knowledge of the borrowers; in other cases, the false statements were  
13 inserted without the knowledge of the borrowers.

14 25. It was a part of the conspiracy that, in loan applications they submitted and  
15 assisted in submitting to Pierce Commercial Bank, SAM TUTTLE, BEN LESKE, ANGELA  
16 CROZIER, ED ROUNDS, and others submitted, and caused to be submitted, loan applications to  
17 Pierce Commercial Bank that: falsely inflated borrowers' income and qualifications, contained  
18 false entries and false supporting documentation, and contained documents indicating that  
19 borrowers were employed with certain employers and earning certain incomes, when, in truth  
20 and in fact, the borrowers were not so employed and were not earning the stated income.

21 26. It was a part of the conspiracy that, in loan applications they submitted and  
22 assisted in submitting to Pierce Commercial Bank, SAM TUTTLE, BEN LESKE, ANGELA  
23 CROZIER, ED ROUNDS, and others submitted, and caused to be submitted, loan applications to  
24 Pierce Commercial Bank that falsely inflated borrowers' incomes by preparing and causing  
25 others to prepare lease agreements that falsely stated that borrowers earned rental income by  
26 renting properties, and renting rooms within properties, including renting their true primary  
27 residences, to certain individuals, when in truth and fact, the borrowers were not earning the  
28 specified amount of rental income and were not renting properties, or rooms within properties, to  
the individuals identified.



1           27.     It was a part of the conspiracy that SAM TUTTLE, BEN LESKE, ANGELA  
2 CROZIER, ED ROUNDS, and others fraudulently directed borrowers to falsely state in loan  
3 applications submitted to Pierce Commercial Bank that they intended to occupy the properties  
4 they were purchasing as their primary residences, when, in truth and fact, the borrowers did not  
5 plan to occupy the properties for which they were seeking funding.

6           28.     It was a part of the conspiracy that loan officers and processors fraudulently  
7 submitted, and underwriters fraudulently approved, loan applications which the underwriters,  
8 and others, knew did not meet the appropriate qualifications for loans and knew contained false  
9 statements, including, but not limited to, false verification of employment documents, false lease  
10 agreements, fraudulent copies of cashiers' checks, false verification of rental income documents,  
11 and false statements regarding the borrowers' intent to make the property their primary  
residences.

12           29.     It was a part of the conspiracy that, when borrowers did not qualify for given  
13 loans based on the existing documentation in loan applications, Co-Conspirators would at times  
14 seek the assistance of Shawn Portmann and other Co-Conspirators for advice on how to falsely  
15 modify the loan applications so as to ensure they passed underwriting. Managers, including  
16 SAM TUTTLE, directed loan officers and staff to speak to Shawn Portmann for assistance in  
17 fraudulently modifying loan applications.

18           30.     Among the assistance provided by Shawn Portmann to the other Co-Conspirators  
19 was the use of his assistant, Alice Barney, to provide a Verification of Rent form for inclusion in  
20 a borrower's loan application that falsely asserted that a borrower was paying rent for an  
21 apartment owned by Portmann, when in fact the borrower was not residing in, and had never  
22 resided in, said apartment. These false Verifications of Rent were used to show that borrowers  
could make larger monthly payments towards a residence than they were actually making.

23           31.     It was a part of the conspiracy that, when borrowers did not qualify for given  
24 loans based on the existing documentation in loan applications, Co-Conspirators would inform  
25 other Co-Conspirators of the specific statements needed to qualify the loan applicants, knowing  
26 that in order to meet the qualifications, other Co-Conspirators would produce and include in the  
27 loan applications additional documentation containing false and fraudulent statements.

32. It was further part of the conspiracy that the Co-Conspirators represented to Pierce Commercial Bank and other lending and financial institutions that Loan Applications and related documentation submitted on behalf of prospective purchasers/borrowers reflected complete and accurate information, and that lending and financial institutions extended financing on the basis of those representations.

33. It was a part of the conspiracy that Co-Conspirators would collude with third-parties, including appraisers, to ensure loans successfully closed. The Co-Conspirators would put pressure on appraisers to generate specific values on properties being purchased by borrowers, even when told that such values were not supported by appraisal methods.

34. It was a part of the conspiracy that when loans that were purchased by secondary investors were defaulted on, the Co-Conspirators would take steps to ensure that Pierce Commercial Bank and the secondary investors did not discover the underlying fraudulent statements. These efforts included Shawn Portmann, SAM TUTTLE, and Craig Meyer forming a separate company to buy defaulted loans back from secondary investors, so that no further investigation would be done on the underlying loans.

#### **D. Overt Acts**

35. During the course of, and in furtherance of, the conspiracy, SAM TUTTLE, BEN LESKE, ANGELA CROZIER, ED ROUNDS, and other conspirators, committed the following overt acts, among others, within the Western District of Washington and elsewhere:

a. On or about July 14, 2005, SAM TUTTLE and ANGELA CROZIER, made, caused to be made, and aided and abetted the making of, a false verification of rent document indicating that borrower T.C. was paying rent at the Golden Gate Estates in the amount of \$825 a month;

b. On or about July 15, 2005, SAM TUTTLE and ANGELA CROZIER, made, caused to be made, and aided and abetted the making of, a false lease agreement indicating that borrower T.C. was renting a room to another person for \$475 a month;

c. On or about July 22, 2005, SAM TUTTLE and ANGELA CROZIER made, and caused to be made, a Uniform Residential Loan Application containing false entries, including that borrower T.C. was earning income of \$4,293 a month and would



1 | earn \$475 a month from renting a room to another person, and that T.C. currently was paying  
2 | rent at an apartment in Tacoma in the amount of \$825 a month;

3 |           d.       On or about February 27, 2006, BEN LESKE and ANGELA  
4 | CROZIER made, caused to be made, and aided and abetted the making of, a false rental  
5 | agreement indicating that borrower D.B. would be renting a room to another person for \$450 a  
6 | month;

7 |           e.       On or about March 1, 2006, BEN LESKE and ANGELA  
8 | CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
9 | entries, including that borrower D.B. would receive room rental income in the amount of \$450 a  
10 | month, and that D.B. was receiving \$1,500 a month in rental income for a residence in Federal  
11 | Way;

12 |           f.       On or about March 7, 2006, ED ROUNDS and ANGELA  
13 | CROZIER made, caused to be made, and aided and abetted the making of, a false rental  
14 | agreement indicating that borrower K.R. would be renting a room for \$1,050 a month to "Frank  
15 | Jackson";

16 |           g.       On or about March 14, 2006, ED ROUNDS and ANGELA  
17 | CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
18 | entries, including that borrower K.R. would be renting a room to another person for \$1,050 a  
19 | month;

20 |           h.       On or about April 28, 2006, SAM TUTTLE made, and caused to  
21 | be made, a Uniform Residential Loan Application containing false entries, including that  
22 | borrowers T.D. and A.D. would receive room rental income in the amount of \$700, that they  
23 | owned a vehicle worth \$8,000, and that they had \$50,000 in assets;

24 |           i.       On or about May 5, 2006, SAM TUTTLE made, caused to be  
25 | made, and aided and abetted the making of, a false credit reference and a Uniform Residential  
26 | Loan Application indicating that an auto lease for borrower B.O. had been paid in full;

27 |           j.       On or about May 26, 2006, SAM TUTTLE made, and caused to be  
28 | made, a Uniform Residential Loan Application with false entries, including that borrower B.O.  
was earning \$8,450 a month and had paid off an auto lease;

1 k. On or about May 16, 2006, BEN LESKE and ANGELA  
2 CROZIER made, caused to be made, and aided and abetted the making of, a false verification of  
3 employment document indicating that borrower M.W. was employed at a bead company and;

4 l. On or about May 17, 2006, BEN LESKE and ANGELA  
5 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
6 entries, including that borrower M.W. was employed, earned \$6,000 a month, and intended to  
7 live in the residence being purchased;

8 m. On or about June 15, 2006, SAM TUTTLE and ANGELA  
9 CROZIER made, caused to be made, and aided and abetted the making of, a false verification of  
10 rent document indicating that borrower K.T. was paying rent at the Vanessa View Apartments in  
11 the amount of \$975 a month;

12 n. On or about June 20, 2006, SAM TUTTLE and ANGELA  
13 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
14 entries, including that borrower K.T. was earning \$5,500 a month in income and was paying rent  
15 at an apartment in Puyallup in the amount of \$975 a month;

16 o. On or about September 10, 2006, BEN LESKE and ANGELA  
17 CROZIER made, caused to be made, and aided and abetted the making of, a false rental  
18 agreement indicating that borrower L.B. was receiving \$1,600 a month in rental income for a  
19 residence in Tacoma;

20 p. On or about September 22, 2006, BEN LESKE and ANGELA  
21 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
22 entries, including that borrower L.B. was receiving \$1,600 a month in rental income and  
23 intended to live in the residence being purchased;

24 q. On or about October 22, 2006, SAM TUTTLE and ANGELA  
25 CROZIER made, caused to be made, and aided and abetted the making of, a false rental  
26 agreement indicating that borrower R.K. was receiving \$5,000 a month in rental income for a  
27 residence in Lakewood, Washington;

28 r. On or about November 13, 2006, SAM TUTTLE and ANGELA  
CROZIER made, and caused to be made, a Uniform Residential Loan Application with false

1 entries, including that borrowers R.K. and V.H. were receiving \$5,000 a month in rental income  
2 for a residence in Lakewood, Washington;

3 s. On or about February 6, 2007, ED ROUNDS and ANGELA  
4 CROZIER made, caused to be made, and aided and abetted the making of, a false rental  
5 agreement indicating that borrower L.G. was renting a residence for \$1,050 a month to "Frank  
6 Jackson";

7 t. On or about February 6, 2007, ED ROUNDS and ANGELA  
8 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
9 entries, including that borrower L.G. was earning \$9,500 a month in income, was earning \$1,500  
10 a month in rental income for renting a residence in Tacoma, Washington, and that L.G. intended  
11 to live in the residence being purchased;

12 u. On or about March 1, 2007, Craig Meyer and ANGELA  
13 CROZIER made, caused to be made, and aided and abetted the making of, a false verification of  
14 employment document indicating that borrower L.A. was employed by Ashmore Capital;

15 v. On or about March 8, 2007, Craig Meyer and ANGELA  
16 CROZIER made, and caused to be made, a Uniform Residential Loan Application that contained  
17 false entries, including that borrower L.A. was employed by Ashmore Capital, was earning  
18 \$12,000 per month in income, and intended to live in the residence being purchased;

19 w. On or about April 5, 2007, Craig Meyer and ANGELA CROZIER  
20 made, caused to be made, and aided and abetted the making of, a false verification of rent  
21 document indicating that borrower K.R. was renting a residence from R.L. for \$2,500 a month;

22 x. On or about April 24, 2007, SAM TUTTLE made, and caused to  
23 be made, a Uniform Residential Loan Application that contained false entries, including that  
24 borrower B.M. was earning \$7,500 a month in income, and intended to live in the residence  
25 being re-financed;

26 y. On or about April 27, 2007, SAM TUTTLE made, and caused to  
27 be made, a Uniform Residential Loan Application that contained false entries, including that  
28 borrower B.M. was earning \$7,500 a month in income, and was receiving \$2,850 a month in  
rental income for a residence in Seattle, Washington;

1                   z.       On or about August 23, 2007, BEN LESKE and ANGELA  
2 CROZIER made, caused to be made, and aided and abetted the making of, a false verification of  
3 employment document indicating that borrower B.A. had been employed at a Tacoma landscape  
4 company since June 2003;

5                   aa.     On or about September 13, 2007, BEN LESKE and ANGELA  
6 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
7 entries, including that borrower B.A. was employed at a Tacoma landscape company, earned  
8 approximately \$12,000 a month, and intended to live in the residence being purchased;

9                   bb.     On or about September 24, 2007, BEN LESKE and ANGELA  
10 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
11 entries, including that borrower A.A. was employed at a video production company earning  
\$12,200 a month;

12                  cc.     On or about October 5, 2007, SAM TUTTLE made, and caused to  
13 be made, a Uniform Residential Loan Application that contained false entries, including that  
14 borrowers M.B. and L.B. were receiving at total of \$2,300 a month in rental income for multi-  
15 unit residence in Tacoma, Washington;

16                  dd.     On or about October 5, 2007, SAM TUTTLE made, and caused to  
17 be made, and aided and abetted the making of, a false and fraudulent rental agreements  
18 indicating that borrowers M.B. and L.B. were receiving rental income from renting one Tacoma  
19 residence for \$1,050 a month, and receiving rental income from renting another Tacoma  
20 residence for \$1,250 a month;

21                  ee.     On or about December 15, 2007, BEN LESKE and ANGELA  
22 CROZIER made, and caused to be made, and aided and abetted the making of, a false and  
23 fraudulent rental agreement indicating that borrower J.A. was receiving \$2,150 a month in rental  
income for a residence in Orting, Washington;

24                  ff.     On or about January 4, 2008, BEN LESKE and ANGELA  
25 CROZIER made, caused to be made, and aided and abetted the making of, a false verification of  
26 employment document indicating that borrower J.A. was employed at a Puyallup construction  
27 company and earning \$6,000 a month;

1 gg. On or about January 24, 2008, BEN LESKE and ANGELA  
 2 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
 3 entries, including that borrower J.A. was employed at Puyallup construction company, earned  
 4 \$6,000 a month, and was receiving \$2,150 a month in rental income for a residence in Orting,  
 5 Washington;

6 hh. On or about February 15, 2008, BEN LESKE and ANGELA  
 7 CROZIER made, and caused to be made, and aided and abetted the making of, a false and  
 8 fraudulent rental agreement indicating that borrower S.L. was receiving \$2,150 a month in rental  
 9 income for a residence in Tacoma;

10 ii. On or about February 20, 2008, BEN LESKE and ANGELA  
 11 CROZIER made, and caused to be made, a Uniform Residential Loan Application with false  
 12 entries, including that borrower S.L. was receiving \$2,150 a month in rental income for a  
 13 residence in Tacoma;

14 jj. On or about April 24, 2008, a Co-Conspirator wrote an email to  
 15 loan officers and staff members of PC Bank instructing them that "WE NEED TO CLOSE  
 16 EVERYTHING WE PLANNED ON CLOSING!" and that employees should "...NOT LET  
 17 ANY CHALLENGES GET IN YOUR WAY; BRING ALL ISSUES TO ME FOR REVIEW  
 18 BEFORE LETTING A DEAL GO."

19 All in violation of Title 18, United States Code, Section 371.

20 **COUNTS 2 through 12**  
**(Bank Fraud)**

21 36. The factual allegations in paragraphs 1 through 35 are realleged and incorporated  
 22 by reference as if set forth fully herein.

23 37. On or about the dates listed below, at Puyallup and elsewhere, within the Western  
 24 District of Washington, defendants SAM TUTTLE, BEN LESKE, ANGELA CROZIER, and ED  
 25 ROUNDS, and other Co-conspirators known and unknown, did knowingly execute, and attempt  
 26 to execute, a scheme and artifice to defraud Pierce Commercial Bank and other financial  
 27 institutions and to obtain moneys, funds, credits, assets, securities, and other property owned by,  
 28

and under the custody and control of, Pierce Commercial Bank and other financial institutions, by means of materially false and fraudulent pretenses, representations, and promises:

Count	Defendant(s)	Date	Execution
2	SAM TUTTLE	May 26, 2006	Submitted closing paperwork to obtain loan proceeds in the amount of \$248,800 for the purchase of a property located at 1501 Blaine Avenue NE, Renton, Washington, by borrower B.O. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises: (1) False entry on Uniform Residential Loan Application of employment income of \$8,450 per month; (2) False entry on Uniform Residential Loan Application that an auto lease had been paid off (3) False letter indicating that an auto lease had been paid off.
3	SAM TUTTLE	June 21, 2006	Submitted closing paperwork to obtain loan proceeds in the amount of \$165,000 for the purchase of a property located at 2122 80 <sup>th</sup> Street East, Tacoma, Washington, by borrower K.T. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises: (1) False entry on Uniform Residential Loan Application of employment income of \$5,500 per month; (2) False verification of rent document indicating that borrower K.T. resided in and paid rent at a Puyallup apartment from April 2000 to June 2006 and that account was satisfactory; (3) False letter of explanation for why mailing address differed from residential address.
4	SAM TUTTLE	November 13, 2006	Submitted closing paperwork to obtain loan proceeds in the amount of \$467,500, for the purchase of a property located at 11202 Tower Road SW, Lakewood, Washington, by borrowers R.K. and V.H., as their primary residence. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:



1			(1) False entry on Uniform Residential Loan Application indicating that borrower was receiving \$5000 a month in rental income for 11417 Gravelly Lake Road SW, Lakewood, Washington, residence;
2			(2) False rental agreement indicating that borrowers were renting 11417 Gravelly Lake Road SW, Lakewood, Washington residence to another person for \$5,000 a month;
3			
4			These representations were made only seven days after TUTTLE submitted the closing paperwork to obtain loan proceeds in the amount of \$500,000, for the refinance of the property located at 11417 Gravelly Lake Road SW, Lakewood, Washington, by borrowers R.K. and V.H.
5			The closing paperwork represented that the borrowers intended to make this property their primary residence.
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12	5	SAM TUTTLE	April 30, 2007
13			Submitted closing paperwork to obtain loan proceeds in the amount of \$270,400, for the purchase of a property located at 900 Lenora Street, Seattle, Washington, by borrower B.M., as his primary residence.
14			The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:
15			(1) False entry on Uniform Residential Loan Application indicating that borrower was receiving \$2,850 a month in rental income for 326 Queen Anne Avenue residence;
16			(2) False entry on Uniform Residential Loan Application of income of \$7,500 per month;
17			
18			Submitted closing paperwork to obtain loan proceeds in the amount of \$89,000, for the cash-out refinance of a property located at 326 Queen Anne Avenue North, Seattle, Washington, by borrower B.M.
19			The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:
20			(1) False entry on Uniform Residential Loan Application indicating that borrower intended to reside in the property;
21			(2) False entry on Uniform Residential Loan Application of income of \$7,500 per month.
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6	SAM TUTTLE	October 12, 2007	Submitted closing paperwork to obtain loan proceeds in the amount of \$296,000 for refinance of a property located at 3405 26 <sup>th</sup> Place SE, Puyallup, Washington, by borrowers M.B. and L.B. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises: (1) False entry on Uniform Residential Loan Application indicating that borrowers were receiving \$2,300 a month in rental income for multi-unit Tacoma residence; (2) False rental agreements indicating that borrowers were renting two units in multi-unit Tacoma residence to other people for total of \$2,300 a month.
7	ED ROUNDS  ANGELA CROZIER	February 13, 2007	Submitted closing paperwork to obtain loan proceeds in the amount of \$209,000 for refinance of a property located at 1916 4 <sup>th</sup> Ave. NW, Puyallup, Washington, by borrower L.G. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises: (1) False entry on Uniform Residential Loan Application indicating borrower L.G. was residing in property; (2) False entry on Uniform Residential Loan Application indicating that borrower L.G. intended to reside in the property; (3) False entry on Uniform Residential Loan Application indicating borrower L.G. was earning \$9,500 a month; (4) False entry on Uniform Residential Loan Application indicating borrower was receiving \$1,500 a month in rental income for a Tacoma residence.
8	ANGELA CROZIER	March 9, 2007	Submitted closing paperwork to obtain loan proceeds in the amount of \$580,000 for purchase of a property located at 4604 191st Place Northeast, Sammamish, Washington, by borrower L.A. The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises: (1) False entry on Uniform Residential Loan Application indicating that borrower L.A. worked for Ashmore Capital and earned \$12,000 per month;

			<p>(2) False entry on Uniform Residential Loan Application that borrower L.A. intended to reside in the purchased property;</p> <p>(3) False entries and omissions on Uniform Residential Loan Application that borrower L.A. and A.A. did not own any other real estate;</p> <p>(4) False Verification of Rent form indicating borrower L.A. paid \$1,225 per month in rent for a residence in Des Moines, Washington;</p> <p>(5) False Verification of Employment form indicating L.A. was employed by Ashmore Capital.</p>
9	BEN LESKE  ANGELA CROZIER	September 17, 2007	<p>Submitted closing paperwork to obtain loan proceeds in the amount of \$360,000 for purchase of property located at 10623 64<sup>th</sup> Avenue East, Puyallup, Washington, by borrower B.A.</p> <p>The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:</p> <p>(1) False entry on Uniform Residential Loan Application indicating that borrower B.A. intended to reside in the purchased property;</p> <p>(2) False entry on Uniform Residential Loan Application indicating that borrower B.A. was employed at landscape company and received approximately \$12,000 in monthly income; and</p> <p>(3) False verification of employment document indicating that borrower B.A. had been employed at a landscape company in Tacoma since June 2003.</p>
10	BEN LESKE  ANGELA CROZIER	September 28, 2007	<p>Submitted closing paperwork to obtain loan proceeds in the amount of \$532,000 for refinance of a property located at 13180 Waterview Road, Caldwell, Idaho, by borrower A.A.</p> <p>The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:</p> <p>(1) False entry on Uniform Residential Loan Application indicating that borrower A.A. was employed at a video production company;</p> <p>(2) False entry on Uniform Residential Loan Application indicating that borrower received \$12,200 in monthly income from employment at video production company.</p>
11	BEN LESKE	January 29, 2008	Submitted closing paperwork to obtain loan proceeds in the amount of \$207,060 for refinance of property

	ANGELA CROZIER		<p>located at 923 2<sup>nd</sup> Avenue NW, Puyallup, Washington, by borrower J.A.</p> <p>The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:</p> <p>(1) False entry on Uniform Residential Loan Application indicating that borrower J.A. was employed at construction company and received \$6,000 in monthly income;</p> <p>(2) False entry on Uniform Residential Loan Application indicating that borrower was receiving \$2,150 a month in rental income for an Orting residence;</p> <p>(3) False verification of employment document indicating that borrower J.A. was employed at Puyallup construction company and was earning \$6,000 a month;</p> <p>(4) False rental agreement indicating that borrower was renting Orting, Washington residence to another person for \$2,150 a month.</p>
12	BEN LESKE  ANGELA CROZIER	February 22, 2008	<p>Submitted closing paperwork to obtain loan proceeds in the amount of \$327,702 for purchase of property located at 930 25<sup>th</sup> Avenue SW, Puyallup, Washington, by borrower S.L.</p> <p>The closing paperwork contained the following materially false and fraudulent pretenses, representations, and promises:</p> <p>(1) False entry on Uniform Residential Loan Application indicating that borrower was receiving \$2,150 a month in rental income for a Tacoma residence; and</p> <p>(2) False rental agreement indicating that borrower was renting a Tacoma residence to another person for \$2,150 a month.</p>

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

### **ALLEGATIONS OF FORFEITURE**

38. The allegations contained in Counts 1-12 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C), Section 982(a)(2)(A), and Title 28, United States Code, Section 2461(c).

1        39.     Upon conviction of the offenses in violation of Title 18, United States Code  
2 Sections 371, 1014, and 1344, set forth in Counts 1-12 of this Indictment, the defendants, SAM  
3 TUTTLE, BEN LESKE, ANGELA CROZIER, and ED ROUNDS, shall forfeit to the United  
4 States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), Section 982(a)(2)(A), and  
5 Title 28, United States Code, Section 2461(c), any property constituting, or derived from,  
6 proceeds obtained directly from or indirectly, as a result of such violations, including but not  
7 limited to a sum of money representing the proceeds obtained as a result of the offenses charged  
8 in Counts 1-12 of this Indictment, for which the defendants are jointly and severally liable.

9     //

10    //

1 All pursuant to Title 18, United States Code, Sections 981(a)(1)(C), Section  
2 982(a)(2)(A), Section 982(b)(1), and Title 28, United States Code, Section 2461(c).

3  
4 A TRUE BILL:

5  
6 DATED: 1.26.17

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8 *(Signature of Foreperson redacted*  
9 *pursuant to the policy of the Judicial*  
10 *Conference of the United States)*

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14 FOREPERSON

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26  
27  
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ANNETTE L. HAYES  
United States Attorney

ANDREW C. FRIEDMAN  
Assistant United States Attorney

HUGO TORRES  
Special Assistant United States Attorney

BRIAN WERNER  
Assistant United States Attorney



**DEFENDANT STATUS SHEET** (One for each defendant)I. CASE STATUSNAME OF DEFENDANT SAM TUTTLEUSAO# 2010R01576

\_\_\_/ MAGISTRATE'S NO. \_\_\_\_\_

\_\_\_/ DOCKET NO. (If Superseding Indictment) CRII. CUSTODIAL STATUSHAS DEFENDANT HAD INITIAL APPEARANCE IN THIS CASE? \_\_\_/ yes x/ no

IF YES:

\_\_\_/ DEFENDANT HAS BEEN RELEASED ON THE FOLLOWING CONDITIONS: \_\_\_\_\_

\*\*\* \_\_\_/ A DETENTION HEARING HAS BEEN SCHEDULED FOR: \_\_\_\_\_?

\_\_\_/ A DETENTION ORDER HAS BEEN ENTERED.

\*\*\* \_\_\_/ TEMPORARY DETENTION

\*\*\* \_\_\_/ PERMANENT DETENTION

\_\_\_/ IF THE DEFENDANT HAS HAD INITIAL APPEARANCE IN ANOTHER DISTRICT, THE ABOVE RELEASE ON CONDITIONS OR DETENTION ORDER WAS ENTERED IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_ AND THE DEFENDANT'S FIRST APPEARANCE IN THIS DISTRICT IS EXPECTED TO BE/HAS BEEN SET FOR \_\_\_\_\_.  
(Date)

\_\_\_/ DEFENDANT IS IN CUSTODY ON OTHER CHARGES:

\_\_\_/ SERVING A FEDERAL SENTENCE AT \_\_\_\_\_.

\_\_\_/ PENDING FEDERAL CHARGES IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_.

\_\_\_/ PENDING STATE CHARGES AT \_\_\_\_\_.

III. ARRAIGNMENT

\_\_\_/ WARRANT TO ISSUE. (IF SO, PLEASE COMPLETE REVERSE)

x/ SUMMONS TO BE ISSUED FOR APPEARANCE ON 2/13/17 CALENDAR. (DEFENDANT'S ADDRESS REQUIRED.)  
(Date)

DEFENDANT'S ADDRESS: \_\_\_\_\_

x/ LETTER TO DEFENSE COUNSEL FOR APPEARANCE ON \_\_\_\_\_ CALENDAR.  
(Date)

DEFENSE ATTORNEY'S NAME: JIM FRUSHDEFENSE ATTORNEY'S ADDRESS: Cable, Langenbach, Kinerk & Bauer, LLP 1000 Second Avenue Building Suite 3500 Seattle, WA 98104IV. CONDITIONS OF RELEASE

x/ NOT PREVIOUSLY SET, SHOULD BE: P.R.  
[e.g., P.R.; BAIL (listing conditions); DETENTION]

\_\_\_/ PREVIOUSLY SET, SHOULD BE:

\_\_\_/ CONTINUE CONDITIONS OF RELEASE

\_\_\_/ CONTINUE DETENTION

\_\_\_/ MODIFIED AS FOLLOWS (state reasons for modifying): \_\_\_\_\_

HAS THE FPD represented any subject or witness in this case? x/ Yes \_\_\_/ NoTHE ESTIMATED TRIAL TIME IS 10 TRIAL DAYS.1/20/17

(Date Form filled out)

(Revised June 2000)

**DEFENDANT STATUS SHEET** (One for each defendant)**I. CASE STATUS**NAME OF DEFENDANT BEN LESKEUSAO# 2010R01576

\_ / MAGISTRATE'S NO. \_\_\_\_\_

\_ / DOCKET NO. (If Superseding Indictment) CR**II. CUSTODIAL STATUS**HAS DEFENDANT HAD INITIAL APPEARANCE IN THIS CASE? \_ / yes X / no

IF YES:

\_ / DEFENDANT HAS BEEN RELEASED ON THE FOLLOWING CONDITIONS: \_\_\_\_\_

\*\*\* \_ / A DETENTION HEARING HAS BEEN SCHEDULED FOR: \_\_\_\_\_

\_ / A DETENTION ORDER HAS BEEN ENTERED.

\*\*\* \_ / TEMPORARY DETENTION

\*\*\* \_ / PERMANENT DETENTION

\_ / IF THE DEFENDANT HAS HAD INITIAL APPEARANCE IN ANOTHER DISTRICT, THE ABOVE RELEASE ON CONDITIONS OR DETENTION ORDER WAS ENTERED IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_ AND THE DEFENDANT'S FIRST APPEARANCE IN THIS DISTRICT IS EXPECTED TO BE/HAS BEEN SET FOR \_\_\_\_\_ (Date)

\_ / DEFENDANT IS IN CUSTODY ON OTHER CHARGES:

\_ / SERVING A FEDERAL SENTENCE AT \_\_\_\_\_

\_ / PENDING FEDERAL CHARGES IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_

\_ / PENDING STATE CHARGES AT \_\_\_\_\_

**III. ARRAIGNMENT**

\_ / WARRANT TO ISSUE. (IF SO, PLEASE COMPLETE REVERSE)

X / SUMMONS TO BE ISSUED FOR APPEARANCE ON 2/13/17 CALENDAR. (DEFENDANT'S ADDRESS REQUIRED.)  
(Date)

DEFENDANT'S ADDRESS: \_\_\_\_\_

X / LETTER TO DEFENSE COUNSEL FOR APPEARANCE ON \_\_\_\_\_ CALENDAR.  
(Date)DEFENSE ATTORNEY'S NAME: PETER OFFENBECHERDEFENSE ATTORNEY'S ADDRESS: Skellenger Bender, 1301 Fifth Ave., Suite 3401 | Seattle, WA 98101**IV. CONDITIONS OF RELEASE**X / NOT PREVIOUSLY SET, SHOULD BE: P.R.  
[e.g., P.R.; BAIL (listing conditions); DETENTION]

\_ / PREVIOUSLY SET, SHOULD BE:

\_ / CONTINUE CONDITIONS OF RELEASE

\_ / CONTINUE DETENTION

\_ / MODIFIED AS FOLLOWS (state reasons for modifying): \_\_\_\_\_

HAS THE FPD represented any subject or witness in this case? X / Yes \_ / NoTHE ESTIMATED TRIAL TIME IS 10 TRIAL DAYS.1/20/17

(Date Form filled out)

(Revised June 2000)

**DEFENDANT STATUS SHEET** (One for each defendant)I. CASE STATUSNAME OF DEFENDANT ANGELA CROZIERUSAO# 2010R01576

\_\_\_/ MAGISTRATE'S NO. \_\_\_\_\_

\_\_\_/ DOCKET NO. (If Superseding Indictment) CR

\*\*\*\*\*

II. CUSTODIAL STATUSHAS DEFENDANT HAD INITIAL APPEARANCE IN THIS CASE? \_\_\_/ yes x/ no

IF YES:

\_\_\_/ DEFENDANT HAS BEEN RELEASED ON THE FOLLOWING CONDITIONS: \_\_\_\_\_

\*\*\* \_\_\_/ A DETENTION HEARING HAS BEEN SCHEDULED FOR: \_\_\_\_\_?

\_\_\_/ A DETENTION ORDER HAS BEEN ENTERED.

\*\*\* \_\_\_/ TEMPORARY DETENTION

\*\*\* \_\_\_/ PERMANENT DETENTION

\_\_\_/ IF THE DEFENDANT HAS HAD INITIAL APPEARANCE IN ANOTHER DISTRICT, THE ABOVE RELEASE ON  
 CONDITIONS OR DETENTION ORDER WAS ENTERED IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_ AND THE  
 DEFENDANT'S FIRST APPEARANCE IN THIS DISTRICT IS EXPECTED TO BE/HAS BEEN SET FOR \_\_\_\_\_.  
 (Date)

\_\_\_/ DEFENDANT IS IN CUSTODY ON OTHER CHARGES:

\_\_\_/ SERVING A FEDERAL SENTENCE AT \_\_\_\_\_

\_\_\_/ PENDING FEDERAL CHARGES IN THE \_\_\_\_\_ DISTRICT OF \_\_\_\_\_

\_\_\_/ PENDING STATE CHARGES AT \_\_\_\_\_

\*\*\*\*\*

III. ARRAIGNMENT

\_\_\_/ WARRANT TO ISSUE. (IF SO, PLEASE COMPLETE REVERSE)

x/ SUMMONS TO BE ISSUED FOR APPEARANCE ON 2/13/17 CALENDAR. (DEFENDANT'S ADDRESS REQUIRED.)  
 (Date)

DEFENDANT'S ADDRESS: \_\_\_\_\_

x/ LETTER TO DEFENSE COUNSEL FOR APPEARANCE ON \_\_\_\_\_ CALENDAR.  
 (Date)
DEFENSE ATTORNEY'S NAME: BRETT PURTZERDEFENSE ATTORNEY'S ADDRESS: Hester Law Group, Inc., P.S. 1008 S. Yakima Ave., Suite 302 Tacoma, WA 98405

\*\*\*\*\*

IV. CONDITIONS OF RELEASE
x/ NOT PREVIOUSLY SET, SHOULD BE: P.R.  
 [e.g., P.R.; BAIL (listing conditions); DETENTION]

\_\_\_/ PREVIOUSLY SET, SHOULD BE:

\_\_\_/ CONTINUE CONDITIONS OF RELEASE

\_\_\_/ CONTINUE DETENTION

\_\_\_/ MODIFIED AS FOLLOWS (state reasons for modifying): \_\_\_\_\_

\*\*\*\*\*

HAS THE FPD represented any subject or witness in this case? x/ Yes \_\_\_/ No

\*\*\*\*\*

THE ESTIMATED TRIAL TIME IS 10 TRIAL DAYS.1/20/17

(Date Form filled out)

(Revised June 2000)

(Revised June 2000)