

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

THE PEOPLE OF THE STATE OF NEW YORK

-against-

AFG FINANCIAL GROUP, INC.,  
AARON HAND,  
EUGENE CULBREATH,  
ERIC SHIELDS,  
MATTHEW MCDERMOTT,  
MARC ZIROGIANNIS,  
KENNETH LAW,  
KATHLEEN SCANLON,  
JEFFREY PHELAN,  
JERRY STRKLJA,  
MARILYN MATEO,  
DARLITA BOSTIC,  
ALLYSON HINDS, and  
RAJMOHAN AUTAR,

Defendants.

THE GRAND JURY OF THE COUNTY OF NEW YORK, by this indictment, accuse the defendants of the crime of **ENTERPRISE CORRUPTION**, in violation of Penal Law §460.20(1)(a), committed as follows:

The defendants in the County of New York and elsewhere, during the period from in or about June 2004 to in or about April 2009, having knowledge of the existence of a criminal enterprise (hereinafter called the “AFG Criminal Enterprise” or “AFGCE”) and the nature of its activities, and being employed by and associated with that enterprise, intentionally conducted and participated in the affairs of such enterprise by participating in a pattern of criminal activity, as follows:

The AFG Criminal Enterprise was a group of persons, including the defendants, together with other persons, known and unknown to the Grand Jury, sharing a common purpose of engaging in criminal conduct, associating together in an ascertainable structure distinct from their pattern of criminal activity, and which possessed a continuity of existence, structure and criminal purpose beyond the scope of individual criminal incidents.

#### **THE DEFENDANTS' COMMON CRIMINAL PURPOSE**

The AFG Criminal Enterprise was created and operated for the purpose of stealing money through mortgage fraud and related criminal conduct. The members of the criminal enterprise included mortgage brokers, attorneys, bank employees, appraisers, recruiters and other individuals who operated together in the field of residential mortgage origination to fraudulently obtain in excess of \$100 million in mortgage loans from lending institutions. They accomplished this purpose through a series of frauds, misrepresentations, forgeries, bribes and money laundering. The defendants targeted distressed residential real estate properties and their owners, appraised the properties at greatly inflated values, recruited and deceived straw buyers – individuals with good credit scores but limited income and assets – and submitted false loan applications and supporting documents in the straw buyers' names, bribed bank and lending institution employees, and laundered the fraudulent mortgage loan proceeds they obtained through a web of personal and shell company bank accounts.

## **STRUCTURE OF THE ENTERPRISE**

The structure of the AFG Criminal Enterprise comprised defendant AFG Financial Group, Inc. (“AFG”), its principals and employees, and a network of lawyers, appraisers, bank employees, recruiters, and other participants. The AFGCE structure mirrored the roles played by the various participants in the residential real estate and mortgage origination field, where mortgage brokers frequently work together with real estate agents, attorneys, appraisers and lending institution representatives to obtain mortgage loans on behalf of residential real estate purchasers.

Defendants Aaron Hand, Eugene Culbreath, Eric Shields, and others known to the Grand Jury, established the defendant AFG in 2004 as a mortgage brokerage firm, registered with the State of New York and licensed to originate mortgage loans, with an office located in Garden City, Long Island. From its inception, however, AFG, and its principals and employees, worked closely with a series of associates to steal money by committing mortgage fraud and other crimes through sham residential real estate transactions, while at all times relevant to this indictment AFG maintained the outward appearance of a law-abiding mortgage broker.

In the structure of the AFGCE, the individual defendants filled various roles.

- Defendant Aaron Hand controlled the AFG Criminal Enterprise. He was the principal founder of AFG, and he ran the AFG office and supervised its employees. He participated in, directed, supervised, and aided nearly every mortgage fraud transaction engaged in by the AFGCE, and he concealed the distribution of the fraudulently obtained loan proceeds by directing attorneys to make payments to a series of shell companies and bank accounts he controlled, either in his own name or in the name of various AFG employees, agents and shell companies, channeling the bulk of the loan proceeds to himself.

- Defendant Eugene Culbreath was a founder of AFG and was responsible for putting together and overseeing individual mortgage fraud transactions, under the supervision of defendant Hand. Defendant Culbreath worked with AFGCE associates to locate straw buyers and match them to properties. He obtained falsely inflated property appraisals. He created forged documents and submitted false loan applications to lending institutions. He attended and directed sham property closings. And he created shell companies for the purpose of concealing the flow of fraudulently obtained loan proceeds to himself, Hand, and other AFGCE participants.
- Defendant Eric Shields was a founder of AFG and held the title of CEO. Shields held AFG's mortgage broker's license in his own name and received a share of the AFGCE's criminal profits from defendant Hand and other AFG principals. He participated in high-level AFGCE decisions as well as multiple AFGCE mortgage fraud transactions.
- Defendant Matthew McDermott held the title of loan officer at AFG and worked under the direction and supervision of defendant Hand and other AFG principals, assisting in mortgage fraud transactions. He forged documents, created and assembled false loan applications and made payments to straw buyers. Defendant McDermott also held several bank accounts in his own name and in the name of a shell company that he and defendant Hand used to channel fraudulent loan proceeds to Hand and other AFGCE participants.

- Defendant Marc Ziogiannis is an attorney who represented lending institutions, buyers and sellers at sham AFGCE property closings. Ziogiannis concealed the true nature of the transactions from his clients and distributed fraudulently obtained loan proceeds to AFGCE participants, as directed by defendant Hand. Ziogiannis also administered escrow accounts through his title company, Legacy Abstract Corp., which he used to redirect fraudulently obtained loan proceeds held in escrow to AFGCE participants instead of to the property sellers.
- Defendants Kenneth Law and Kathleen Scanlon are attorneys who acted as sellers' and buyers' attorneys on mortgage fraud transactions, representing the sellers and buyers of properties at AFGCE property closings. Law and Scanlon concealed the true nature of the transactions from their clients, whom they frequently met for the first time at the closings, and were paid from fraudulently obtained loan proceeds.
- Defendant Jeffrey Phelan was a lending institution account executive, employed first at New Century Mortgage, then at Countrywide Home Loans. He accepted payments from AFG principals to ensure that AFGCE straw buyer loan applications were approved expeditiously without proper underwriting scrutiny. He assisted AFG principals and employees in the assembly and submission of false loan applications and supporting documents, and he gave AFG principals instructions on what false information to include to ensure approval. In addition, defendant Phelan paid at least one New Century employee with whom he worked to falsely represent that the employee had examined and verified information contained in AFGCE loan applications.

- Defendant Jerry Strklja was a principal of multiple companies that acquired residential properties which were used by the AFGCE in sham transactions to obtain mortgage loan proceeds. Defendant Strklja brought the properties to AFG to be appraised at inflated values and matched with straw buyers, and he received a percentage of the mortgage loan proceeds as the ostensible seller of the property.
- Defendants Marilyn Mateo, Darlita Bostic, Allyson Hinds and Rajmohan Autar targeted and recruited straw buyers to participate in sham residential real estate transactions orchestrated by AFG principals. They solicited and deceived credit-worthy individuals to assume the role of mortgage applicant and purchaser with false promises of a risk-free real estate investment opportunity. These recruiters were paid by AFG principals for every straw buyer they brought to AFG to be matched with a property.

### **PATTERN OF CRIMINAL ACTIVITY**

During the period of the offense, the defendants, with intent to participate in and to advance the affairs of the AFG Criminal Enterprise, engaged in conduct constituting and were criminally liable for criminal acts included within a pattern of criminal activity, as follows:

#### **FIRST PATTERN ACT**

The defendants committed the crime of **SCHEME TO DEFRAUD IN THE FIRST DEGREE**, in violation of Penal Law §190.65(1)(b), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from in or about June 2004 to in or about April 2009, acting with others known and unknown to the Grand Jury, all hereinafter referred to as “the schemers,” engaged in a scheme constituting a systematic, ongoing course of conduct with intent to defraud more than one person, including, mortgage lending institutions, banks, owners and purchasers of residential real estate, mortgage broker regulators, rating agencies, credit reporting agencies,

public offices, title abstract and insurance companies, and others, and to obtain property from more than one person by false and fraudulent pretenses, representations and promises, and so obtained property valued in excess of one thousand dollars, to wit, money, from one and more of such persons, as follows:

### **THE RESIDENTIAL REAL ESTATE AND MORTGAGE LOAN BUSINESS**

Individuals seeking to purchase and sell residential real estate frequently are matched together through the efforts of a real estate broker. Similarly, once a prospective buyer of property has reached an agreement to acquire a residence which is to be financed by a mortgage loan, a mortgage broker frequently matches the buyer with a lending institution, oversees the loan application process and submits relevant documents about the buyer to banks or to other mortgage lending companies. Mortgage brokers also perform similar functions in connection with the refinancing of existing mortgages. The bona fide purchase and sale, and the financing or refinancing of residential real estate and its aftermath, encompasses many different actors and entities, all of whom contribute to a system that is relied upon by government, business and individuals for its accuracy and integrity.

Lending institutions rely on the completeness and accuracy of submitted information about the prospective borrower's creditworthiness and about the real estate that will serve as collateral for a mortgage loan. Parties to a real estate transaction expect that representations made are true, promises and ethical obligations will be honored, contracts will be upheld and a party's credit ratings will remain intact or be enhanced. Regulators of mortgage brokers look to the firms they oversee to submit accurate reports, pay registration fees, maintain and preserve records, comply with consumer borrowing disclosure requirements and comply with rules pertaining to brokerage fees and commissions. Rating agencies that undertake to evaluate mortgages sold into the secondary market depend upon data regarding the viability of those debt instruments and the likelihood of default. Credit reporting agencies seek to provide accurate and current information about individuals applying for credit. Public offices serving as registrars of recorded instruments, such as mortgages and deeds, rely on the truth and accuracy of instruments that are

filed. And title abstract companies and their associated insurance underwriters prepare reports and issue commitments predicated on the accuracy of information provided by the participants in a mortgage-financed real estate transaction.

### **THE SCHEME**

The defendants pretended, through defendant AFG Financial Group, Inc., to engage in legitimate real estate transactions involving mortgage-financed sales of residential property and the refinancing of mortgages. In truth, they schemed to deprive numerous other players in the real estate and mortgage loan business of their rights and, in many instances, their property. The defendants, through a concerted effort to obtain money generated from fraudulent real estate transactions financed by inflated straw buyer mortgage loans, employed numerous deceptions, machinations, forgeries, bribes, falsified documents, and illusory promises such as the following:

- Identifying residential properties with characteristics or owners that were suitable to their scheme to use the real estate as collateral for inflated mortgage loans to finance the ostensible sale of the properties or, in some instances, to obtain money by refinancing mortgage debt on the properties.
- Inventing stories about economically distressed homeowners to be used by straw buyer recruiters in targeting credulous individuals to participate in a real estate investment designed to help the owners stay in their homes. The schemers sought to persuade unwitting people with good credit scores but low income to assume the role of mortgage applicant and purchaser while taking only nominal ownership of a property.
- Convincing straw buyers to attend and participate in property closings by offering cash payments and making false assurances that the straw buyers would not be responsible for making monthly mortgage payments. Inevitably, because the transactions were financed by mortgage loans inherently designed to default, unwitting straw buyers, in whose names the



mortgage loans were obtained, unexpectedly received default notices and experienced ruined credit ratings.

- Manufacturing, through bribery and other means, false records and forged documents in fraudulent loan applications designed to enhance straw buyers' income, assets, employment and other data.
- Securing inflated property appraisals wholly divorced from a property's true value, which included altered or entirely false photographs and false data regarding comparable properties in the same neighborhood as the appraised property.
- Subverting lenders' underwriting scrutiny by bribing lending institution employees and paying attorneys who represented the lending institutions at property closings to violate their ethical duties to their clients by concealing the true nature of the transactions.
- Orchestrating the use of the same straw buyer in multiple property transactions within a short time period to obtain additional loans before credit reporting agencies had enough time to reflect the mortgage liabilities of the initial transaction. Consequently, straw buyer credit reports generated for subsequent transactions omitted substantial debt obligations of the mortgage applicant.
- Making a minimally sufficient number of mortgage payments to avoid early default and thus preventing lending institutions, who sold their mortgages into a secondary market, from identifying the AFGCE scheme (and its extraordinary default rate) and terminating business with AFG Financial Group, Inc. This device permitted the initial lender to sell the loans in the secondary market under contracts that gave no recourse after a minimal number of payments had been made. This, in turn, deceived bond rating firms that assigned qualitative value to mortgages that had been securitized.
- Lying to the sellers of property about the proceeds of a sale, misrepresenting to lenders the details of loan disbursements, and using shell companies to receive misappropriated funds

and launder them for the benefit of the schemers, all in a concerted effort to acquire and keep as much of the mortgage proceeds from sham transactions as possible. In addition, the schemers fabricated fictitious reasons to hold funds belonging to sellers in escrow, and ultimately diverted the funds to themselves through fraud and forgery.

- Underreporting AFG's volume of business and destroying and discarding vast quantities of the firm's records instead of complying with regulatory requirements to make and maintain accurate reports and records of their brokerage activity.
- Engaging in multiple incidents of fraud and forgery involving ownership title to real property which deceived title insurance firms and caused public offices to record deeds and mortgages that were inaccurate.

## **SECOND PATTERN ACT**

The defendants committed the crime of **CONSPIRACY IN THE FIFTH DEGREE**, in violation of Penal Law §105.05(1), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from in or about June 2004 to in or about April 2009, with intent that conduct constituting the felonies of Forgery, Falsifying Business Records, Commercial Bribery, Money Laundering, Grand Larceny and Criminal Possession of Stolen Property be performed, did agree with one and more persons to engage in and cause the performance of such conduct in that defendants and others agreed to falsely make and falsify documents, corrupt others to gain assistance, use nominees to avoid detection, and thereby sought to steal and possess millions of dollars of mortgage loan proceeds obtained from financial institutions and others.

Beginning in 2004, defendants Aaron Hand, Eugene Culbreath, Eric Shields and others met at gentlemen's clubs in New York County on repeated occasions to discuss the business of AFG and to recruit and entertain AFG employees and other conspirators.

The goal of the conspiracy was to steal and possess money in the form of mortgage loan proceeds funded by banks and other mortgage lending firms such as Countrywide Home Loans, New Century Mortgage, Suntrust Mortgage, Saxon Mortgage Corporation, Bank of America and Wells Fargo Bank.

To effectuate their goal, the conspirators agreed to create numerous false and forged documents designed to enhance the qualifications of straw buyers by inflating their assets, income and employment credentials on loan applications submitted to prospective lenders, and to convey the pretense that these buyers were parties to bona fide residential real estate transactions. In so doing, the conspirators sought to defraud lending institutions by submitting false loan applications that, when approved, yielded mortgage commitments to finance the ostensible sales of homes.

To further their plan, the conspirators agreed to pay bribes to bankers at a Bank of America branch in Garden City, Long Island, to issue false verifications of straw buyer bank deposits. They also agreed to pay bribes to a mortgage lender account executive, defendant Jeffrey Phelan, at New Century Mortgage and Countrywide Home Loans, to approve and expedite mortgage loan applications without proper scrutiny. The conspirators also agreed to make cash payments to property appraisers in return for inflated appraisals of the targeted properties.

After submitting false loan applications on behalf of straw buyers and securing mortgage loans, the conspirators arranged and participated in sham real estate closings, where they assembled all the necessary parties, including attorneys, buyers, sellers, brokers, title insurance agents and lending institution representatives. At the closings, mortgage proceeds secretly were disbursed to the conspirators and ownership of property ostensibly was transferred. In fact, the conspirators arranged that straw buyers would not occupy the properties placed in their names and that the sellers of the property would receive only a small fraction of the purchase price.

The ultimate goal of these conspirators' efforts was to misappropriate the monies to themselves, using shell companies and complicit nominee accounts as conduits for channeling the stolen loan proceeds.

### **OVERT ACTS**

In the course of and in furtherance of the conspiracy, the conspirators committed and caused to be committed the following overt acts:

1. In or about late 2005 Unindicted Co-Conspirator #1 hosted a meeting at his residence in New York County attended by defendants Aaron Hand, Eugene Culbreath, Eric Shields and others to discuss problems related to angry property sellers who had received foreclosure notices after promised mortgage payments had not been made.

2. During the period from May 2005 to June 2006, defendants Aaron Hand, Eugene Culbreath and others made payments to a Bank of ASdulca Assistant Branch Manager to provide documents falsely verifying straw buyers' account balances at Bank of Ameulca.

3. During the period from January 2006 to December 2006, defendants Aaron Hand, Eugene Culbreath and others made payments to a Bank of America Small Business Specialist to provide documents falsely verifying straw buyers' account balances at Bank of Ameulca.

4. On or about February 14, 2006, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately four hundred eight thousand dollars (\$408,000) and approximately one hundred two thousand (\$102,000) were obtained from New Century Mortgage from an account in New York County.

5. During the period from June 1, 2006 to February 28, 2007, defendant Aaron Hand and others made payments to defendant Jeffrey Phelan, a New Century Mortgage Account Executive, to expedite loan applications for approval without proper underwriting scrutiny.

6. On or about September 26, 2006, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Jeffrey Phelan and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred sixty eight thousand dollars (\$468,000) was obtained from New Century Mortgage from an account in New York County.

7. During the period from December 2006 to June 2007, defendant Aaron Hand and others made payments to an Astoria Federal Savings Bank Assistant Branch Manager to provide documents falsely verifying straw buyers' account balances at Astoria Federal Savings Bank.

8. On or about January 26, 2007, defendant Aaron Hand and others submitted to New Century Mortgage a false proof of liability insurance letter as part of a false loan application.

9. On or about January 26, 2007, defendant Aaron Hand and others submitted to New Century Mortgage forged bank statements as part of a false loan application.

10. On or about January 26, 2007, at 597 Fifth Avenue in New York County, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately eight hundred thousand dollars (\$800,000) and approximately two hundred thousand dollars (\$200,000) were obtained from New Century Mortgage from an account in New York City.

11. On or about February 9, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage a false Verification of Deposit form as part of a false loan application.

12. On or about February 9, 2007, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Marilyn Mateo, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately five hundred thousand dollars (\$500,000) and approximately one hundred twenty five thousand dollars (\$125,000) were obtained from New Century Mortgage from an account in New York County.

13. On or about February 9, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed Unindicted Co-Conspirator #2 to issue a check in the amount of approximately \$112,750 to a shell company controlled by defendant Matthew McDermott.

14. On or about February 12, 2007, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Marilyn Mateo, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately five hundred twelve thousand dollars (\$512,000) and approximately one hundred twenty eight thousand dollars (\$128,000) were obtained from New Century Mortgage from an account in New York County.

15. On or about February 22, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Kenneth Law to issue a check in the amount of approximately \$109,847 to a shell company controlled by defendant Matthew McDermott.

16. In or about March 2007, Unindicted Co-Conspirator #3 visited a residential real estate property located at 620 West 147<sup>th</sup> Street in New York County for the purpose of performing and creating a fraudulent property appraisal to submit to a lending institution.

17. On or about March 1, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Kenneth Law and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred seventy-five thousand dollars (\$475,000) was obtained from Countrywide Home Loans from an account in New York County.

18. During the period from March 1, 2007 to July 31, 2007, defendant Aaron Hand and others made payments to defendant Jeffrey Phelan, a Countrywide Home Loans Account Executive, to expedite loan applications for approval without proper underwriting scrutiny.

19. On or about March 9, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Jerry Strklja, Marilyn Mateo and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately one hundred forty five thousand dollars (\$145,000) and approximately five hundred eighty thousand dollars (\$580,000) were obtained from Countrywide Home Loans from an account in New York County.

20. On or about April 4, 2007, after submitting a false loan application to American Brokers Conduit, defendants Aaron Hand, Marc Ziropiannis, Marilyn Mateo and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately one million dollars (\$1,000,000) and approximately one hundred forty seven thousand dollars (\$147,000) were obtained from American Brokers Conduit.

21. On or about May 21, 2007, after submitting a false loan application to Greenpoint Mortgage Funding, defendants Aaron Hand, Eric Shields and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately one million two hundred forty seven dollars (\$1,247,000) was obtained from Greenpoint Mortgage Funding.

22. On or about June 11, 2007, defendant Aaron Hand and others submitted to Saxon Mortgage forged bank statements as part of a false loan application.

23. On or about June 11, 2007, defendant Aaron Hand and others submitted to Saxon Mortgage a copy of a forged Bank of America cashier's check as part of a false loan application.

24. On or about June 11, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Jerry Strklja, Darlita Bostic and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately five hundred sixty thousand five hundred dollars (\$560,500) was obtained from Saxon Mortgage from an account in New York County.

25. On or about June 11, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to Countrywide Home Loans a copy of a forged Bank of America cashier's check as part of a false loan application.

26. On or about, June 11, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Marc Ziropiannis, Jeffrey Phelan and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred fifty thousand dollars (\$450,000) was obtained from Countrywide Home Loans from an account in New York County.

27. On or about June 11, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Marc Ziropiannis to issue a check in the amount of approximately \$40,000 to a shell company controlled by defendant Eugene Culbreath.

28. On or about June 19, 2007, defendants Allyson Hinds and Rajmohan Autar drove to New York County, picked up a straw buyer at his place of employment at the Roosevelt Hotel, and drove the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.



29. On or about June 19, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Marc Ziropiannis, Jeffrey Phelan, Jerry Strklja, Allyson Hinds and Rajmohan Autar closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately seven hundred thousand dollars (\$700,000) was obtained from Countrywide Home Loans from an account in New York County.

30. On or about July 13, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Kenneth Law, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately five hundred eighty-nine thousand dollars (\$589,000) was obtained from Saxon Mortgage from an account in New York County.

31. On or about July 23, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage a copy of a forged Bank of America cashier's check as part of a false loan application.

32. On or about July 23, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage forged bank statements as part of a false loan application.

33. On or about July 23, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Marc Ziropiannis, Jeffrey Phelan, Jerry Strklja, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately six hundred ninety seven thousand five hundred dollars (\$697,500) was obtained from Countrywide Home Loans from an account in New York County.

34. On or about July 31, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Jerry Strklja, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately six hundred forty six thousand dollars (\$646,000) was obtained from Saxon Mortgage from an account in New York County.

35. On or about September 25, 2007, defendant Aaron Hand and others submitted to Countrywide Home Loans a forged check as part of a false loan application.

36. On or about September 25, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Marc Ziropiannis, Marilyn Mateo and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately three hundred thirty seven thousand five hundred dollars (\$337,500) was obtained from Countrywide Home Loans from an account in New York County.

37. On or about September 26, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Marc Ziropiannis to issue a check in the amount of approximately \$23,330 to a shell company controlled by defendant Marilyn Mateo.

38. On or about December 19, 2007, after submitting a false loan application to New Century Mortgage, defendant Darlita Bostic and others dispatched a car and driver to pick up a straw buyer at the straw buyer's residence on Lexington Avenue in New York County to deliver the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.

39. On or about December 19, 2007, after submitting a false loan application to Suntrust Mortgage, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Ziropiannis, Darlita Bostic, Kathleen Scanlon, and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred fourteen thousand dollars (\$414,000) was obtained from Suntrust Mortgage.

40. On or about December 19, 2007, at the conclusion of a sham property closing at the office of defendant AFG Financial Group, Inc., defendant Darlita Bostic and others ordered a car and driver to return the straw buyer back to the straw buyer's residence on Lexington Avenue in New York County.

41. On or about December 19, 2007, defendants Darlita Bostic, Aaron Hand and others made and caused to be made a five thousand dollar (\$5,000) cash payment to a straw buyer at the straw buyer's residence on Lexington Avenue in New York County.

42. On or about December 20, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Marc Ziropiannis to issue a check in the amount of approximately \$34,155 to Bank of America to pay down a line of credit in defendant Hand's name.

43. On or about January 24, 2008, after submitting a false loan application to Wells Fargo Bank, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Ziropiannis, Kathleen Scanlon, Darlita Bostic and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately three hundred eighty thousand dollars (\$380,000) was obtained from Wells Fargo Bank.

44. In or about January 2008, defendants Darlita Bostic, Aaron Hand and others made or caused to be made a five thousand dollar (\$5,000) payment to a straw buyer at her residence on Lexington Avenue in New York County.

45. On or about January 29, 2008, after closing a sham real estate transaction, defendant Marc Ziropiannis issued two checks to an interest on lawyer account (IOLA) in his own name in the amount of approximately \$3,000.

46. On or about July 28, 2008, defendants Hand and Ziropiannis issued a check in the amount of approximately \$38,341 and forged the payee's endorsement in order to deposit the check into an account held in defendant Hand's name.

47. In or about March 2008, Unindicted Co-Conspirator #4 recruited a straw buyer in New York County by making numerous telephone calls to the straw buyer's place of employment in New York County.

48. In or about March 2008, Unindicted Co-Conspirator #4 met and conferred with a straw buyer on Canal Street in New York County.

49. On or about March 27, 2008, defendant Aaron Hand and others submitted to Wells Fargo Bank forged bank account statements as part of a false loan application.

50. On or about March 27, 2008, Unindicted Co-Conspirator #4 and others dispatched a car and driver to pick up a straw buyer in New York County and deliver the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.

51. On or about March 27, 2008, after submitting a false loan application to Wells Fargo Bank, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Ziogiannis, Kathleen Scanlon and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred ninety five thousand dollars (\$495,000) was obtained from Wells Fargo Bank.

52. In or about April 2008, Unindicted Co-Conspirator #4 caused the New York County bank account of a straw buyer residing in New York County to be credited in the amount of approximately fifteen thousand dollars (\$15,000).

53. On or about April 17, 2008, defendants Hand and Ziogiannis issued a check in the amount of approximately \$9,513 and forged the payee's endorsement in order to deposit the check into an account held in defendant Hand's name.

**PROPERTY #1: 562 ELTON STREET (KINGS COUNTY)**

**THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN, in the County of New York and elsewhere, on or about February 14, 2006, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

**FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 14, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a loan application in the name of Jeanne Goshay.

**FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 14, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Jeanne Goshay.

#### **SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 14, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a HUD-1 form related to the 562 Elton Street property closing.

#### **SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 14, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 562 Elton Street property closing.

**PROPERTY #2: 27 WHITE PLACE (RICHMOND COUNTY)**

**EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN, in the County of New York and elsewhere, on or about September 26, 2006, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

**NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about September 26, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a loan application in the name of Jean Duvivier.

#### **TENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about September 26, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Jean Duvivier.

#### **ELEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about September 26, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a HUD-1 form related to the 27 White Place property closing.



## **TWELFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about September 26, 2006, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 27 White Place property closing.

### **PROPERTY #3: 2768 LINDENMERE DRIVE (NASSAU COUNTY)**

## **THIRTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN, in the County of New York and elsewhere, on or about January 26, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

#### **FOURTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MATTHEW MCDERMOTT committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about January 26, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

#### **FIFTEENTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about January 26, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by New Century Mortgage, and the value of the property exceeded fifty thousand dollars.

## **SIXTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America bank statement in the name of Damian Cole.

## **SEVENTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a proof of liability insurance letter from Tower Insurance.

### **EIGHTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a loan application in the name of Damian Cole.

### **NINETEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Damian Cole.

### **TWENTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a HUD-1 form related to the 2768 Lindenmere Drive property closing.

#### **TWENTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 26, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 2768 Lindenmere Drive property closing.

#### **PROPERTY #4: 46 ORCHARD NECK ROAD (SUFFOLK COUNTY)**

#### **TWENTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO, in the County of New York and elsewhere, on or about February 9, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

#### **TWENTY-THIRD PATTERN ACT**

Defendants AARON HAND and MATTHEW MCDERMOTT committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AARON HAND and MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about February 9, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **TWENTY-FOURTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about February 9, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by New Century Mortgage, and the value of the property exceeded fifty thousand dollars.

#### **TWENTY-FIFTH PATTERN ACT**

Defendants EUGENE CULBREATH and MARILYN MATEO committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendants EUGENE CULBREATH and MARILYN MATEO, in the County of New York and elsewhere, on or about February 9, 2007, with intent to benefit themselves, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by New Century Mortgage, and the value of the property exceeded three thousand dollars.

#### **TWENTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a loan application in the name of Ana Hernandez.

#### **TWENTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Ana Hernandez.

#### **TWENTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a HUD-1 form related to the 46 Orchard Neck Road property closing.

#### **TWENTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:



The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 46 Orchard Neck Road property closing.

#### **THIRTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a Verification of Deposit form in the name of Ana Hernandez.

#### **THIRTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a Verification of Deposit form in the name of Ana Hernandez.

**PROPERTY #5: 27 KIELY PLACE (KINGS COUNTY)**

**THIRTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO, in the County of New York and elsewhere, on or about February 12, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

**THIRTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MATTHEW MCDERMOTT committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about February 12, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

#### **THIRTY-FOURTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about February 12, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by New Century Mortgage, and the value of the property exceeded fifty thousand dollars.

#### **THIRTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 12, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America bank statement in the name of Philip Pervil.

#### **THIRTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 12, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a loan application in the name of Philip Pervil.

#### **THIRTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 12, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Philip Pervil.

#### **THIRTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 12, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, New Century Mortgage, to wit, a HUD-1 form related to the 27 Kiely Place property closing.

#### **THIRTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about February 12, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 27 Kiely Place property closing.

**PROPERTY #6: 806 IRIS PLACE (NASSAU COUNTY)**

**FORTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and KENNETH LAW committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and KENNETH LAW, in the County of New York and elsewhere, on or about March 1, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

**FORTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 1, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countywide Mortgage, to wit, a loan application in the name of Adrianna Guerrero.

#### **FORTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 1, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Adrianna Guerrero.

#### **FORTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 1, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Home Loans, to wit, a HUD-1 form related to the 806 Iris Place property closing.

#### **FORTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 1, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 806 Iris Place property closing.

#### **PROPERTY #7: 74-11 ROCKAWAY BOULEVARD (QUEENS COUNTY)**

#### **FORTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, JERRY STRKLJA and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, JERRY STRKLJA and MARILYN MATEO, in the County of New York and elsewhere, on or about March 9, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.



#### **FORTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MATTHEW MCDERMOTT committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MATTHEW MCDERMOTT , in the County of New York and elsewhere, on or about March 9, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

#### **FORTY-SEVENTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about March 9, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Countrywide Mortgage, and the value of the property exceeded fifty thousand dollars.

#### **FORTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a loan application in the name of Ana Hernandez.

#### **FORTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Ana Hernandez.

#### **FIFTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a HUD-1 form related to the 74-11 Rockaway Boulevard property closing.

#### **FIFTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about March 9, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 74-11 Rockaway Boulevard property closing.

#### **PROPERTY #8: 620 WEST 147<sup>TH</sup> STREET (NEW YORK COUNTY)**

#### **FIFTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO, in the County of New York and elsewhere, on or about April 4, 2007, stole property from American Brokers Conduit and the value of the property exceeded one million dollars.

#### **FIFTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about April 4, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

#### **FIFTY-FOURTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about April 4, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by American Brokers Conduit, and the value of the property exceeded fifty thousand dollars.

#### **FIFTY-FIFTH PATTERN ACT**

Defendant MARILYN MATEO committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendant MARILYN MATEO, in the County of New York and elsewhere, on or about April 4, 2007, with intent to benefit herself, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by American Brokers Conduit, and the value of the property exceeded three thousand dollars.

#### **FIFTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about April 4, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Luis Gonzalez.

#### **FIFTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about April 4, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 620 West 147<sup>th</sup> Street property closing.

#### **FIFTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARILYN MATEO, in the County of New York and elsewhere, on or about May 2, 2007, stole property from Luis Gonzalez and the value of the property exceeded fifty thousand dollars.

#### **FIFTY-NINTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about May 2, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Luis Gonzalez, and the value of the property exceeded fifty thousand dollars.

#### **SIXTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and ERIC SHIELDS committed the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and ERIC SHIELDS, in the County of New York and elsewhere, on or about May 21, 2007, stole property from Greenpoint Mortgage and the value of the property exceeded one million dollars.

#### **SIXTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about May 21, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America bank statement in the name of Luis Gonzalez.

### **SIXTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about May 21, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Greenpoint Mortgage, to wit, a loan application in the name of Luis Gonzalez.

### **SIXTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about May 21, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Luis Gonzalez.

### **SIXTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:



The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about May 21, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Greenpoint Mortgage, to wit, a HUD-1 form related to the 620 West 147<sup>th</sup> Street property closing.

#### **SIXTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about May 21, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 620 West 147<sup>th</sup> Street property closing.

#### **PROPERTY #9: 2363 MCDONALD AVENUE (KINGS COUNTY)**

#### **SIXTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA and DARLITA BOSTIC committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA and DARLITA BOSTIC, in the County of New York and elsewhere, on or about June 11, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.

**SIXTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about June 11, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct.

**SIXTY-EIGHTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about June 11, 2007, with intent to benefit themselves and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Saxon Mortgage, and the value of the property exceeded fifty thousand dollars.

#### **SIXTY-NINTH PATTERN ACT**

Defendant MARILYN MATEO committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendant MARILYN MATEO, in the County of New York and elsewhere, on or about June 11, 2007, with intent to benefit herself, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Saxon Mortgage, and the value of the property exceeded three thousand dollars.

#### **SEVENTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit a Citibank bank statement in the name of Melvin Moore.

### **SEVENTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, a Bank of America cashier's check in the amount of \$48,640.83.

### **SEVENTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a loan application in the name of Melvin Moore.

### **SEVENTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Melvin Moore.

### **SEVENTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a HUD-1 form related to the 2363 McDonald Avenue property closing.

### **SEVENTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 2363 McDonald Avenue property closing.

**PROPERTY #10: 25 LAKELAND AVENUE (NASSAU COUNTY)**

**SEVENTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS and JEFFREY PHELAN committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS and JEFFREY PHELAN, in the County of New York and elsewhere, on or about June 11, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

**SEVENTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about June 11, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct.

### **SEVENTY-EIGHTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about June 11, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

### **SEVENTY-NINTH PATTERN ACT**

Defendants EUGENE CULBREATH and MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendants EUGENE CULBREATH and MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about June 11, 2007, with intent to benefit themselves, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Countrywide Mortgage, and the value of the property exceeded three thousand dollars.

### **EIGHTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America bank statement in the name of Wayne Sisman.



#### **EIGHTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America cashier's check in the amount of \$48,796.06.

#### **EIGHTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a loan application in the name of Wayne Sisman.

### **EIGHTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Wayne Sisman.

### **EIGHTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a HUD-1 form related to the 25 Lakeland Avenue property closing.

### **EIGHTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about June 11, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 25 Lakeland Avenue property closing.

**PROPERTY #11: 2361 MCDONALD AVENUE (KINGS COUNTY)**

**EIGHTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about June 19, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

**EIGHTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MATTHEW MCDERMOTT and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about June 19, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

#### **EIGHTY-EIGHTH PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE SECOND DEGREE**, in violation of Penal Law §165.52, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about June 19, 2007, with intent to benefit himself and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Countrywide Mortgage, and the value of the property exceeded fifty thousand dollars.

#### **EIGHTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Citibank bank statement in the name of Orlando Concepcion.

#### **NINETIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America cashier's check in the amount of \$7,003.08.

### **NINETY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a loan application in the name of Orlando Concepcion.

### **NINETY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Orlando Concepcion.

### **NINETY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a HUD-1 form related to the 2361 McDonald Avenue property closing.

#### **NINETY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about June 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 2361 McDonald Avenue property closing.

#### **PROPERTY #12: 76 MILE SQUARE ROAD (WESTCHESTER COUNTY)**

#### **NINETY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, KENNETH LAW, ALLYSON HINDS and RAJMOHAN AUTAR committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, KENNETH LAW, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 13, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.

**NINETY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 13, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a loan application in the name of Dennis Moore.

**NINETY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND and, in the County of New York and elsewhere, on or about July 13, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Dennis Moore.



#### **NINETY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 13, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a HUD-1 form related to the 76 Mile Square Road property closing.

#### **NINETY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 13, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 76 Mile Square Road property closing.

**PROPERTY #13: 54-72 46<sup>TH</sup> STREET (QUEENS COUNTY)**

**ONE HUNDREDTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 23, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

**ONE HUNDRED AND FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE THIRD DEGREE**, in violation of Penal Law §470.10(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about July 23, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded fifty thousand dollars.

### **ONE HUNDRED AND SECOND PATTERN ACT**

Defendant MATTHEW MCDERMOTT committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendant MATTHEW MCDERMOTT, in the County of New York and elsewhere, on or about July 23, 2007, with intent to benefit himself, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Countrywide Mortgage, and the value of the property exceeded three thousand dollars.

### **ONE HUNDRED AND THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about July 23, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of New York Mellon bank statement in the name of Dennis Moore.

**ONE HUNDRED AND FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about July 23, 2007, with

**ONE HUNDRED AND SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about July 23, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Dennis Moore.

**ONE HUNDRED AND SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about July 23, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a HUD-1 form related to the 54-72 46<sup>th</sup> Street property closing.

**ONE HUNDRED AND EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, on or about July 23, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 54-72 46<sup>th</sup> Street property closing.

**PROPERTY #14: 89-23 127<sup>TH</sup> STREET (QUEENS COUNTY)**

**ONE HUNDRED AND NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 31, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.

**ONE HUNDRED AND TENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about July 31, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **ONE HUNDRED AND ELEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America bank statement in the name of Amaris Garcia.

#### **ONE HUNDRED AND TWELFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a Bank of America cashier's check in the amount of \$42,000.

#### **ONE HUNDRED AND THIRTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a loan application in the name of Amaris Garcia.



**ONE HUNDRED AND FOURTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Amaris Garcia.

**ONE HUNDRED AND FIFTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Saxon Mortgage, to wit, a HUD-1 form related to the 89-23 127<sup>th</sup> Street property closing.

**ONE HUNDRED AND SIXTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about July 31, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 89-23 127<sup>th</sup> Street property closing.

**PROPERTY #15: 490 BEACH 44<sup>TH</sup> STREET (QUEENS COUNTY)**

**ONE HUNDRED AND SEVENTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO, in the County of New York and elsewhere, on or about September 25, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

**ONE HUNDRED AND EIGHTEENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about September 25, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **ONE HUNDRED AND NINETEENTH PATTERN ACT**

Defendant MARILYN MATEO committed the crime of **CRIMINAL POSSESSION OF STOLEN PROPERTY IN THE THIRD DEGREE**, in violation of Penal Law §165.50, committed as follows:

The defendant MARILYN MATEO, in the County of New York and elsewhere, on or about September 25, 2007, with intent to benefit herself, and a person other than an owner thereof and to impede the recovery by an owner thereof, knowingly possessed stolen property owned by Countrywide Mortgage, and the value of the property exceeded three thousand dollars.

#### **ONE HUNDRED AND TWENTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a North Fork bank statement in the name of Maria Fernandez.

#### **ONE HUNDRED AND TWENTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a check in the amount of \$50,000.

#### **ONE HUNDRED AND TWENTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a loan application in the name of Maria Fernandez.

#### **ONE HUNDRED AND TWENTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Maria Fernandez.

#### **ONE HUNDRED AND TWENTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Countrywide Mortgage, to wit, a HUD-1 form related to the 490 Beach 44<sup>th</sup> Street property closing.

### **ONE HUNDRED AND TWENTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about September 25, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 490 Beach 44<sup>th</sup> Street property closing.

### **PROPERTY #16: 46 HOLLOWAY STREET (NASSAU COUNTY)**

### **ONE HUNDRED AND TWENTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC, in the County of New York and elsewhere, on or about December 19, 2007, stole property from Suntrust Mortgage and the value of the property exceeded fifty thousand dollars.

#### **ONE HUNDRED AND TWENTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about December 19, 2007, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **ONE HUNDRED AND TWENTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about December 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Suntrust Mortgage, to wit, a loan application in the name of Denise Quattlebaum.

#### **ONE HUNDRED AND TWENTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about December 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Denise Quattlebaum.

#### **ONE HUNDRED AND THIRTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about December 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Suntrust Mortgage, to wit, a HUD-1 form related to the 46 Holloway Street property closing.

#### **ONE HUNDRED AND THIRTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:



The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about December 19, 2007, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 46 Holloway Street property closing.

**PROPERTY #17: 3231 COLDEN AVENUE (BRONX COUNTY)**

**ONE HUNDRED AND THIRTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC, in the County of New York and elsewhere, on or about January 24, 2008, stole property from Wells Fargo and the value of the property exceeded fifty thousand dollars.

**ONE HUNDRED AND THIRTY-THIRD PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about January 24, 2008, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **ONE HUNDRED AND THIRTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 24, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Wells Fargo, to wit, a loan application in the name of Denise Quattlebaum.

#### **ONE HUNDRED AND THIRTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 24, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Denise Quattlebaum.

#### **ONE HUNDRED AND THIRTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 24, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Wells Fargo, to wit, a HUD-1 form related to the 3231 Colden Avenue property closing.

#### **ONE HUNDRED AND THIRTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about January 24, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 3231 Colden Avenue property closing.

**PROPERTY #18: 38-16 10<sup>TH</sup> STREET (QUEENS COUNTY)**

**ONE HUNDRED AND THIRTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **GRAND LARCENY IN THE THIRD DEGREE**, in violation of Penal Law §155.35, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about July 28, 2008, stole property from Anthony Lanni and the value of the property exceeded three thousand dollars.

**ONE HUNDRED AND THIRTY-NINTH PATTERN ACT**

Defendant AFG FINANCIAL GROUP, INC., AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendant AFG FINANCIAL GROUP, INC., AARON HAND, in the County of New York and elsewhere, on or about July 28, 2008, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a check in the amount of \$38,341 made out to Anthony Lanni.

**PROPERTY #19: 4131 DEREIMER AVENUE (BRONX COUNTY)**

**ONE HUNDRED AND FORTIETH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS and KATHLEEN SCANLON committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS and KATHLEEN SCANLON, in the County of New York and elsewhere, on or about March 27, 2008, stole property from Wells Fargo and the value of the property exceeded fifty thousand dollars.

**ONE HUNDRED AND FORTY-FIRST PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **GRAND LARCENY IN THE THIRD DEGREE**, in violation of Penal Law §155.35, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about April 17, 2008, stole property from George Marinaccio and the value of the property exceeded three thousand dollars.

**ONE HUNDRED AND FORTY-SECOND PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS committed the crime of **MONEY LAUNDERING IN THE SECOND DEGREE**, in violation of Penal Law §470.15(1)(b)(ii)(A), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, on or about March 27, 2008, knowing that the property involved in one or more financial transactions represents the proceeds of specified criminal conduct, conducted one or more such financial transactions which in fact involved the proceeds of specified criminal conduct, knowing that the transaction or transactions in whole or in part were designed to conceal or disguise the nature, the location, the source, the ownership and the control of the proceeds of specified criminal conduct, and the total value of the property involved in such financial transaction or transactions exceeded one hundred thousand dollars.

#### **ONE HUNDRED AND FORTY-THIRD PATTERN ACT**

Defendant AFG FINANCIAL GROUP, INC., AARON HAND committed the crime of **FORGERY IN THE SECOND DEGREE**, in violation of Penal Law §170.10(1), committed as follows:

The defendant AFG FINANCIAL GROUP, INC., AARON HAND, in the County of New York and elsewhere, on or about April 17, 2008, with intent to defraud, deceive and injure another, falsely made, completed and altered a written instrument, the same being and purporting to be, and calculated to become and to represent if completed, a deed, will, codicil, contract, assignment, commercial instrument, credit card, and other instrument which did and may have evidenced, created, transferred, terminated and otherwise affected a legal right, interest, obligation and status, to wit, a check in the amount of \$9,513 made out to George Marinaccio.

#### **ONE HUNDRED AND FORTY-FOURTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about March 27, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Wells Fargo, to wit, a loan application in the name of Harry Ortiz.

#### **ONE HUNDRED AND FORTY-FIFTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about March 27, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a loan application in the name of Harry Ortiz.

#### **ONE HUNDRED AND FORTY-SIXTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about March 27, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, Wells Fargo, to wit, a HUD-1 form related to the 4131 DeReimer Avenue.

#### **ONE HUNDRED AND FORTY-SEVENTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC. and AARON HAND committed the crime of **FALSIFYING BUSINESS RECORDS IN THE FIRST DEGREE**, in violation of Penal Law §175.10, committed as follows:

The defendants AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, on or about March 27, 2008, with intent to defraud and to commit another crime and to aid and conceal the commission thereof, made and caused to be made a false entry into the business records of an enterprise, AFG FINANCIAL GROUP, INC., to wit, a HUD-1 form related to the 4131 DeReimer Avenue property closing.

#### **THE COMMERCIAL BRIBES**

#### **ONE HUNDRED AND FORTY-EIGHTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **COMMERCIAL BRIBING IN THE FIRST DEGREE**, in violation of Penal Law §180.03, committed as follows:



The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, during the period from on or about June 1, 2006 to on or about June 1, 2008, conferred and offered to confer a benefit upon an employee without the consent of the latter's employer, to wit, Bank of America, with intent to influence her conduct in relation to this employer's affairs, and when the value of the benefit conferred, and offered and agreed to be conferred exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

#### **ONE HUNDRED AND FORTY-NINTH PATTERN ACT**

Defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH committed the crime of **COMMERCIAL BRIBING IN THE FIRST DEGREE**, in violation of Penal Law §180.03, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and EUGENE CULBREATH, in the County of New York and elsewhere, during the period from on or about June 1, 2006 to on or about June 1, 2008, conferred and offered to confer a benefit upon an employee without the consent of the latter's employer, to wit, Bank of America, with intent to influence his conduct in relation to this employer's affairs, and when the value of the benefit conferred, and offered and agreed to be conferred exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

#### **ONE HUNDRED AND FIFTIETH PATTERN ACT**

Defendant AFG FINANCIAL GROUP, INC., AARON HAND committed the crime of **COMMERCIAL BRIBING IN THE FIRST DEGREE**, in violation of Penal Law §180.03, committed as follows:

The defendant AFG FINANCIAL GROUP, INC., AARON HAND, in the County of New York and elsewhere, during the period from on or about June 1, 2006 to on or about February 28, 2007, conferred and offered to confer a benefit upon an employee without the consent of the latter's employer, to wit, New Century Mortgage, with intent to influence his conduct in relation to this employer's affairs, and when the value of the benefit conferred, and offered and agreed to be conferred exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

#### **ONE HUNDRED AND FIFTY-FIRST PATTERN ACT**

Defendant AFG FINANCIAL GROUP, INC., AARON HAND committed the crime of **COMMERCIAL BRIBING IN THE FIRST DEGREE**, in violation of Penal Law §180.03, committed as follows:

The defendant AFG FINANCIAL GROUP, INC., AARON HAND, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about July 31, 2007, conferred and offered to confer a benefit upon an employee without the consent of the latter's employer, to wit, Countrywide Mortgage, with intent to influence his conduct in relation to this employer's affairs, and when the value of the benefit conferred, and offered and agreed to be conferred exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

#### **ONE HUNDRED AND FIFTY-SECOND PATTERN ACT**

Defendant JEFFREY PHELAN committed the crime of **COMMERCIAL BRIBE RECEIVING IN THE FIRST DEGREE**, in violation of Penal Law §180.08, committed as follows:

The defendant JEFFREY PHELAN, in the County of New York and elsewhere, during the period from on or about June 1, 2006 to on or about February 28, 2007, without the consent of his employer, to wit, New Century Mortgage, solicited, accepted, and agreed to accept a benefit from another person upon an agreement and understanding that such benefit would influence his conduct in relation to his employer's affairs, and the value of the benefit solicited, accepted and agreed to be accepted exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

#### **ONE HUNDRED AND FIFTY-THIRD PATTERN ACT**

Defendant JEFFREY PHELAN committed the crime of **COMMERCIAL BRIBE RECEIVING IN THE FIRST DEGREE**, in violation of Penal Law §180.08, committed as follows:

The defendant JEFFREY PHELAN, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about July 31, 2007, without the consent of his employer, to wit, Countrywide Mortgage, solicited, accepted, and agreed to accept a benefit from another person upon an agreement and understanding that such benefit would influence his conduct in relation to his employer's affairs, and the value of the benefit solicited, accepted and agreed to be accepted exceeded one thousand dollars and caused economic harm to the employer in an amount exceeding two hundred fifty dollars.

SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants of the crime of **SCHEME TO DEFRAUD IN THE FIRST DEGREE**, in violation of Penal Law §190.65(1)(b), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from in or about June 2004 to in or about April 2009, acting with others known and unknown to the Grand Jury, all hereinafter referred to as “the schemers,” engaged in a scheme constituting a systematic, ongoing course of conduct with intent to defraud more than one person, including, mortgage lending institutions, banks, owners and purchasers of residential real estate, mortgage broker regulators, rating agencies, credit reporting agencies, public offices, title abstract and insurance companies, and others, and to obtain property from more than one person by false and fraudulent pretenses, representations and promises, and so obtained property valued in excess of one thousand dollars, to wit, money, from one and more of such persons, as follows:

**THE RESIDENTIAL REAL ESTATE AND MORTGAGE LOAN BUSINESS**

Individuals seeking to purchase and sell residential real estate frequently are matched together through the efforts of a real estate broker. Similarly, once a prospective buyer of property has reached an agreement to acquire a residence which is to be financed by a mortgage loan, a mortgage broker frequently matches the buyer with a lending institution, oversees the loan application process and submits relevant documents about the buyer to banks or to other mortgage lending companies. Mortgage brokers also perform similar functions in connection with the refinancing of existing mortgages. The bona fide purchase and sale, and the financing or refinancing of residential real estate and its aftermath, encompasses many different actors and entities, all of whom contribute to a system that is relied upon by government, business and individuals for its accuracy and integrity.

Lending institutions rely on the completeness and accuracy of submitted information about the prospective borrower’s creditworthiness and about the real estate that will serve as collateral for a

mortgage loan. Parties to a real estate transaction expect that representations made are true, promises and ethical obligations will be honored, contracts will be upheld and a party's credit ratings will remain intact or be enhanced. Regulators of mortgage brokers look to the firms they oversee to submit accurate reports, pay registration fees, maintain and preserve records, comply with consumer borrowing disclosure requirements and comply with rules pertaining to brokerage fees and commissions. Rating agencies that undertake to evaluate mortgages sold into the secondary market depend upon data regarding the viability of those debt instruments and the likelihood of default. Credit reporting agencies seek to provide accurate and current information about individuals applying for credit. Public offices serving as registrars of recorded instruments, such as mortgages and deeds, rely on the truth and accuracy of instruments that are filed. And title abstract companies and their associated insurance underwriters prepare reports and issue commitments predicated on the accuracy of information provided by the participants in a mortgage-financed real estate transaction.

#### **THE SCHEME**

The defendants pretended, through defendant AFG Financial Group, Inc., to engage in legitimate real estate transactions involving mortgage-financed sales of residential property and the refinancing of mortgages. In truth, they schemed to deprive numerous other players in the real estate and mortgage loan business of their rights and, in many instances, their property. The defendants, through a concerted effort to obtain money generated from fraudulent real estate transactions financed by inflated straw buyer mortgage loans, employed numerous deceptions, machinations, forgeries, bribes, falsified documents, and illusory promises such as the following:

- Identifying residential properties with characteristics or owners that were suitable to their scheme to use the real estate as collateral for inflated mortgage loans to finance the ostensible sale of the properties or, in some instances, to obtain money by refinancing mortgage debt on the properties.

- Inventing stories about economically distressed homeowners to be used by straw buyer recruiters in targeting credulous individuals to participate in a real estate investment designed to help the owners stay in their homes. The schemers sought to persuade unwitting people with good credit scores but low income to assume the role of mortgage applicant and purchaser while taking only nominal ownership of a property.
- Convincing straw buyers to attend and participate in property closings by offering cash payments and making false assurances that the straw buyers would not be responsible for making monthly mortgage payments. Inevitably, because the transactions were financed by mortgage loans inherently designed to default, unwitting straw buyers, in whose names the mortgage loans were obtained, unexpectedly received default notices and experienced ruined credit ratings.
- Manufacturing, through bribery and other means, false records and forged documents in fraudulent loan applications designed to enhance straw buyers' income, assets, employment and other data.
- Securing inflated property appraisals wholly divorced from a property's true value, which included altered or entirely false photographs and false data regarding comparable properties in the same neighborhood as the appraised property.
- Subverting lenders' underwriting scrutiny by bribing lending institution employees and paying attorneys who represented the lending institutions at property closings to violate their ethical duties to their clients by concealing the true nature of the transactions.
- Orchestrating the use of the same straw buyer in multiple property transactions within a short time period to obtain additional loans before credit reporting agencies had enough time to reflect the mortgage liabilities of the initial transaction. Consequently, straw buyer credit reports generated for subsequent transactions omitted substantial debt obligations of the mortgage applicant.

- Making a minimally sufficient number of mortgage payments to avoid early default and thus preventing lending institutions, who sold their mortgages into a secondary market, from identifying the AFGCE scheme (and its extraordinary default rate) and terminating business with AFG Financial Group, Inc. This device permitted the initial lender to sell the loans in the secondary market under contracts that gave no recourse after a minimal number of payments had been made. This, in turn, deceived bond rating firms that assigned qualitative value to mortgages that had been securitized.
- Lying to the sellers of property about the proceeds of a sale, misrepresenting to lenders the details of loan disbursements, and using shell companies to receive misappropriated funds and launder them for the benefit of the schemers, all in a concerted effort to acquire and keep as much of the mortgage proceeds from sham transactions as possible. In addition, the schemers fabricated fictitious reasons to hold funds belonging to sellers in escrow, and ultimately diverted the funds to themselves through fraud and forgery.
- Underreporting AFG's volume of business and destroying and discarding vast quantities of the firm's records instead of complying with regulatory requirements to make and maintain accurate reports and records of their brokerage activity.
- Engaging in multiple incidents of fraud and forgery involving ownership title to real property which deceived title insurance firms and caused public offices to record deeds and mortgages that were inaccurate.

THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants of the crime of **CONSPIRACY IN THE FIFTH DEGREE**, in violation of Penal Law §105.05(1), committed as follows:

The defendants, in the County of New York and elsewhere, during the period from in or about June 2004 to in or about April 2009, with intent that conduct constituting the felonies of Forgery, Falsifying Business Records, Commercial Bribery, Money Laundering, Grand Larceny and Criminal Possession of Stolen Property be performed, did agree with one and more persons to engage in and cause the performance of such conduct in that defendants and others agreed to falsely make and falsify documents, corrupt others to gain assistance, use nominees to avoid detection, and thereby sought to steal and possess millions of dollars of mortgage loan proceeds obtained from financial institutions and others.

Beginning in 2004, defendants Aaron Hand, Eugene Culbreath, Eric Shields and others met at gentlemen's clubs in New York County on repeated occasions to discuss the business of AFG and to recruit and entertain AFG employees and other conspirators.

The goal of the conspiracy was to steal and possess money in the form of mortgage loan proceeds funded by banks and other mortgage lending firms such as Countrywide Home Loans, New Century Mortgage, Suntrust Mortgage, Saxon Mortgage Corporation, Bank of America and Wells Fargo Bank.



To effectuate their goal, the conspirators agreed to create numerous false and forged documents designed to enhance the qualifications of straw buyers by inflating their assets, income and employment credentials on loan applications submitted to prospective lenders, and to convey the pretense that these buyers were parties to bona fide residential real estate transactions. In so doing, the conspirators sought to defraud lending institutions by submitting false loan applications that, when approved, yielded mortgage commitments to finance the ostensible sales of homes.

To further their plan, the conspirators agreed to pay bribes to bankers at a Bank of America branch in Garden City, Long Island, to issue false verifications of straw buyer bank deposits. They also agreed to pay bribes to a mortgage lender account executive, defendant Jeffrey Phelan, at New Century Mortgage and Countrywide Home Loans, to approve and expedite mortgage loan applications without proper scrutiny. The conspirators also agreed to make cash payments to property appraisers in return for inflated appraisals of the targeted properties.

After submitting false loan applications on behalf of straw buyers and securing mortgage loans, the conspirators arranged and participated in sham real estate closings, where they assembled all the necessary parties, including attorneys, buyers, sellers, brokers, title insurance agents and lending institution representatives. At the closings, mortgage proceeds secretly were disbursed to the conspirators and ownership of property ostensibly was transferred. In fact, the conspirators arranged that straw buyers would not occupy the properties placed in their names and that the sellers of the property would receive only a small fraction of the purchase price.

The ultimate goal of these conspirators' efforts was to misappropriate the monies to themselves, using shell companies and complicit nominee accounts as conduits for channeling the stolen loan proceeds.

### OVERT ACTS

In the course of and in furtherance of the conspiracy, the conspirators committed and caused to be committed the following overt acts:

1. In or about late 2005 Unindicted Co-Conspirator #1 hosted a meeting at his residence in New York County attended by defendants Aaron Hand, Eugene Culbreath, Eric Shields and others to discuss problems related to angry property sellers who had received foreclosure notices after promised mortgage payments had not been made.

2. During the period from May 2005 to June 2006, defendants Aaron Hand, Eugene Culbreath and others made payments to a Bank of America Assistant Branch Manager to provide documents falsely verifying straw buyers' account balances at Bank of America.

3. During the period from January 2006 to December 2006, defendants Aaron Hand, Eugene Culbreath and others made payments to a Bank of America Small Business Specialist to provide documents falsely verifying straw buyers' account balances at Bank of America.

4. On or about February 14, 2006, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately four hundred eight thousand dollars (\$408,000) and approximately one hundred two thousand (\$102,000) were obtained from New Century Mortgage from an account in New York County.

5. During the period from June 1, 2006 to February 28, 2007, defendant Aaron Hand and others made payments to defendant Jeffrey Phelan, a New Century Mortgage Account Executive, to expedite loan applications for approval without proper underwriting scrutiny.

6. On or about September 26, 2006, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Jeffrey Phelan and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred sixty eight thousand dollars (\$468,000) was obtained from New Century Mortgage from an account in New York County.

7. During the period from December 2006 to June 2007, defendant Aaron Hand and others made payments to an Astoria Federal Savings Bank Assistant Branch Manager to provide documents falsely verifying straw buyers' account balances at Astoria Federal Savings Bank.

8. On or about January 26, 2007, defendant Aaron Hand and others submitted to New Century Mortgage a false proof of liability insurance letter as part of a false loan application.

9. On or about January 26, 2007, defendant Aaron Hand and others submitted to New Century Mortgage forged bank statements as part of a false loan application.

10. On or about January 26, 2007, at 597 Fifth Avenue in New York County, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately eight hundred thousand dollars (\$800,000) and approximately two hundred thousand dollars (\$200,000) were obtained from New Century Mortgage from an account in New York City.

11. On or about February 9, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage a false Verification of Deposit form as part of a false loan application.

12. On or about February 9, 2007, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Marilyn Mateo, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately five hundred thousand dollars (\$500,000) and approximately one hundred twenty five thousand dollars (\$125,000) were obtained from New Century Mortgage from an account in New York County.

13. On or about February 9, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed Unindicted Co-Conspirator #2 to issue a check in the amount of approximately \$112,750 to a shell company controlled by defendant Matthew McDermott.

14. On or about February 12, 2007, after submitting a false loan application to New Century Mortgage, defendants Aaron Hand, Eugene Culbreath, Kenneth Law, Marilyn Mateo, Jeffrey Phelan and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately five hundred twelve thousand dollars (\$512,000) and approximately one hundred twenty eight thousand dollars (\$128,000) were obtained from New Century Mortgage from an account in New York County.

15. On or about February 22, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Kenneth Law to issue a check in the amount of approximately \$109,847 to a shell company controlled by defendant Matthew McDermott.

16. In or about March 2007, Unindicted Co-Conspirator #3 visited a residential real estate property located at 620 West 147<sup>th</sup> Street in New York County for the purpose of performing and creating a fraudulent property appraisal to submit to a lending institution.

17. On or about March 1, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Kenneth Law and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred seventy-five thousand dollars (\$475,000) was obtained from Countrywide Home Loans from an account in New York County.

18. During the period from March 1, 2007 to July 31, 2007, defendant Aaron Hand and others made payments to defendant Jeffrey Phelan, a Countrywide Home Loans Account Executive, to expedite loan applications for approval without proper underwriting scrutiny.

19. On or about March 9, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Jerry Strklja, Marilyn Mateo and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately one hundred forty five thousand dollars (\$145,000) and approximately five hundred eighty thousand dollars (\$580,000) were obtained from Countrywide Home Loans from an account in New York County.

20. On or about April 4, 2007, after submitting a false loan application to American Brokers Conduit, defendants Aaron Hand, Marc Ziropiannis, Marilyn Mateo and others closed a sham residential real estate transaction in which mortgage loans in the amounts of approximately one million dollars (\$1,000,000) and approximately one hundred forty seven thousand dollars (\$147,000) were obtained from American Brokers Conduit.

21. On or about May 21, 2007, after submitting a false loan application to Greenpoint Mortgage Funding, defendants Aaron Hand, Eric Shields and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately one million two hundred forty seven dollars (\$1,247,000) was obtained from Greenpoint Mortgage Funding.

22. On or about June 11, 2007, defendant Aaron Hand and others submitted to Saxon Mortgage forged bank statements as part of a false loan application.

23. On or about June 11, 2007, defendant Aaron Hand and others submitted to Saxon Mortgage a copy of a forged Bank of America cashier's check as part of a false loan application.

24. On or about June 11, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Jerry Strklja, Darlita Bostic and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately five hundred sixty thousand five hundred dollars (\$560,500) was obtained from Saxon Mortgage from an account in New York County.

25. On or about June 11, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to Countrywide Home Loans a copy of a forged Bank of America cashier's check as part of a false loan application.

26. On or about, June 11, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Marc Ziropiannis, Jeffrey Phelan and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred fifty thousand dollars (\$450,000) was obtained from Countrywide Home Loans from an account in New York County.

27. On or about June 11, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Marc Ziropiannis to issue a check in the amount of approximately \$40,000 to a shell company controlled by defendant Eugene Culbreath.

28. On or about June 19, 2007, defendants Allyson Hinds and Rajmohan Autar drove to New York County, picked up a straw buyer at his place of employment at the Roosevelt Hotel, and drove the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.

29. On or about June 19, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Marc Ziropiannis, Jeffrey Phelan, Jerry Strklja, Allyson Hinds and Rajmohan Autar closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately seven hundred thousand dollars (\$700,000) was obtained from Countrywide Home Loans from an account in New York County.

30. On or about July 13, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Kenneth Law, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately five hundred eighty-nine thousand dollars (\$589,000) was obtained from Saxon Mortgage from an account in New York County.

31. On or about July 23, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage a copy of a forged Bank of America cashier's check as part of a false loan application.

32. On or about July 23, 2007, defendants Aaron Hand, Eugene Culbreath and others submitted to New Century Mortgage forged bank statements as part of a false loan application.

33. On or about July 23, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Eugene Culbreath, Marc Ziropiannis, Jeffrey Phelan, Jerry Strklja, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately six hundred ninety seven thousand five hundred dollars (\$697,500) was obtained from Countrywide Home Loans from an account in New York County.

34. On or about July 31, 2007, after submitting a false loan application to Saxon Mortgage, defendants Aaron Hand, Marc Ziropiannis, Jerry Strklja, Allyson Hinds, Rajmohan Autar and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately six hundred forty six thousand dollars (\$646,000) was obtained from Saxon Mortgage from an account in New York County.

35. On or about September 25, 2007, defendant Aaron Hand and others submitted to Countrywide Home Loans a forged check as part of a false loan application.

36. On or about September 25, 2007, after submitting a false loan application to Countrywide Home Loans, defendants Aaron Hand, Marc Ziropiannis, Marilyn Mateo and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately three hundred thirty seven thousand five hundred dollars (\$337,500) was obtained from Countrywide Home Loans from an account in New York County.

37. On or about September 26, 2007, after closing a sham real estate transaction, defendant Aaron Hand directed defendant Marc Ziropiannis to issue a check in the amount of approximately \$23,330 to a shell company controlled by defendant Marilyn Mateo.

38. On or about December 19, 2007, after submitting a false loan application to New Century Mortgage, defendant Darlita Bostic and others dispatched a car and driver to pick up a straw buyer at the straw buyer's residence on Lexington Avenue in New York County to deliver the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.

39. On or about December 19, 2007, after submitting a false loan application to Suntrust Mortgage, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Ziropiannis, Darlita Bostic, Kathleen Scanlon, and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred fourteen thousand dollars (\$414,000) was obtained from Suntrust Mortgage.



40. On or about December 19, 2007, at the conclusion of a sham property closing at the office of defendant AFG Financial Group, Inc., defendant Darlita Bostic and others ordered a car and driver to return the straw buyer back to the straw buyer's residence on Lexington Avenue in New York County.

41. On or about December 19, 2007, defendants Darlita Bostic, Aaron Hand and others made and caused to be made a five thousand dollar (\$5,000) cash payment to a straw buyer at the straw buyer's residence on Lexington Avenue in New York County.

42. On or about December 20, 2007, after closing a sham real estate transaction, defendants Fargo Bank, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Zirotian

47. In or about March 2008, Unindicted Co-Conspirator #4 recruited a straw buyer in New York County by making numerous telephone calls to the straw buyer's place of employment in New York County.

48. In or about March 2008, Unindicted Co-Conspirator #4 met and conferred with a straw buyer on Canal Street in New York County.

49. On or about March 27, 2008, defendant Aaron Hand and others submitted to Wells Fargo Bank forged bank account statements as part of a false loan application.

50. On or about March 27, 2008, Unindicted Co-Conspirator #4 and others dispatched a car and driver to pick up a straw buyer in New York County and deliver the straw buyer to a sham property closing at the office of defendant AFG Financial Group, Inc.

51. On or about March 27, 2008, after submitting a false loan application to Wells Fargo Bank, defendants Aaron Hand, Eric Shields, Matthew McDermott, Marc Ziogiannis, Kathleen Scanlon and others closed a sham residential real estate transaction in which a mortgage loan in the amount of approximately four hundred ninety five thousand dollars (\$495,000) was obtained from Wells Fargo Bank.

52. In or about April 2008, Unindicted Co-Conspirator #4 caused the New York County bank account of a straw buyer residing in New York County to be credited in the amount of approximately fifteen thousand dollars (\$15,000).

53. On or about April 17, 2008, defendants Hand and Ziogiannis issued a check in the amount of approximately \$9,513 and forged the payee's endorsement in order to deposit the check into an account held in defendant Hand's name.

FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN, in the County of New York and elsewhere, on or about February 14, 2006, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW and JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AARON HAND, EUGENE CULBREATH, KENNETH LAW JEFFREY PHELAN, in the County of New York and elsewhere, on or about September 26, 2006, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN, in the County of New York and elsewhere, on or about January 26, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

SEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO, in the County of New York and elsewhere, on or about February 9, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

EIGHTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, KENNETH LAW, JEFFREY PHELAN and MARILYN MATEO, in the County of New York and elsewhere, on or about February 12, 2007, stole property from New Century Mortgage and the value of the property exceeded fifty thousand dollars.

NINTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and KENNETH LAW of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH and KENNETH LAW, in the County of New York and elsewhere, on or about March 1, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

TENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, JERRY STRKLJA and MARILYN MATEO of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, JERRY STRKLJA and MARILYN MATEO, in the County of New York and elsewhere, on or about March 9, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

ELEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO, in the County of New York and elsewhere, on or about April 4, 2007, stole property from American Brokers Conduit and the value of the property exceeded one million dollars.

TWELFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARILYN MATEO of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARILYN MATEO, in the County of New York and elsewhere, on or about May 2, 2007, stole property from Luis Gonzalez and the value of the property exceeded fifty thousand dollars.

THIRTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND and ERIC SHIELDS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and ERIC SHIELDS, in the County of New York and elsewhere, on or about May 21, 2007, stole property from Greenpoint Mortgage and the value of the property exceeded one million dollars.

FOURTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA and DARLITA BOSTIC of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA and DARLITA BOSTIC, in the County of New York and elsewhere, on or about June 11, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.

FIFTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS and JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS and JEFFREY PHELAN, in the County of New York and elsewhere, on or about June 11, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

SIXTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS, and RAJMOHAN AUTAR and of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS, and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about June 19, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

SEVENTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, KENNETH LAW, ALLYSON HINDS and RAJMOHAN AUTAR of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, KENNETH LAW, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 13, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.



EIGHTEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS, and RAJMOHAN AUTAR of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, EUGENE CULBREATH, MARC ZIROGIANNIS, JEFFREY PHELAN, JERRY STRKLJA, ALLYSON HINDS, and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 23, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

NINETEENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS, JERRY STRKLJA, ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, on or about July 31, 2007, stole property from Saxon Mortgage and the value of the property exceeded fifty thousand dollars.

TWENTIETH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, MARC ZIROGIANNIS and MARILYN MATEO, in the County of New York and elsewhere, on or about September 25, 2007, stole property from Countrywide Mortgage and the value of the property exceeded fifty thousand dollars.

TWENTY-FIRST COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC, in the County of New York and elsewhere, on or about December 19, 2007, stole property from Suntrust Mortgage and the value of the property exceeded fifty thousand dollars.

TWENTY-SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC of the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS, KATHLEEN SCANLON and DARLITA BOSTIC, in the County of New York and elsewhere, on or about January 24, 2008, stole property from Wells Fargo and the value of the property exceeded fifty thousand dollars.

TWENTY-THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS and KATHLEEN SCANLON committed the crime of **GRAND LARCENY IN THE SECOND DEGREE**, in violation of Penal Law §155.40(1), committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND, ERIC SHIELDS, MATTHEW MCDERMOTT, MARC ZIROGIANNIS and KATHLEEN SCANLON, in the County of New York and elsewhere, on or about March 27, 2008, stole property from Wells Fargo and the value of the property exceeded fifty thousand dollars.

**AGGREGATED GRAND LARCENY IN THE FIRST DEGREE COUNTS**

TWENTY-FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and JEFFREY PHELAN, in the County of New York and elsewhere, during the period from on or about January 1, 2006 to on or about February 28, 2007, stole property from New Century Mortgage and the value of the property exceeded one million dollars.

TWENTY-FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants EUGENE CULBREATH and KENNETH LAW of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants EUGENE CULBREATH and KENNETH LAW, in the County of New York and elsewhere, during the period from on or about January 1, 2006 to on or about February 28, 2007, stole property from New Century Mortgage and the value of the property exceeded one million dollars.

TWENTY-SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant MARILYN MATEO of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant MARILYN MATEO, in the County of New York and elsewhere, during the period from on or about February 1, 2007 to on or about February 28, 2007, stole property from New Century Mortgage and the value of the property exceeded one million dollars.

TWENTY-SEVENTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant AFG FINANCIAL GROUP, INC. and AARON HAND of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant AFG FINANCIAL GROUP, INC. and AARON HAND, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about September 30, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

TWENTY-EIGHTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant JEFFREY PHELAN of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant JEFFREY PHELAN, in the County of New York and elsewhere, during the period from on or about June 1, 2007 to on or about July 31, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

TWENTY-NINTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant EUGENE CULBREATH of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant EUGENE CULBREATH, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about July 31, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

THIRTIETH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant MARILYN MATEO of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant MARILYN MATEO, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about September 30, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

THIRTY-FIRST COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant MARC ZIROGIANNIS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant MARC ZIROGIANNIS, in the County of New York and elsewhere, during the period from on or about June 1, 2007 to on or about September 30, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

THIRTY-SECOND COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant JERRY STRKLJA of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant JERRY STRKLJA, in the County of New York and elsewhere, during the period from on or about March 1, 2007 to on or about July 31, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

THIRTY-THIRD COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants ALLYSON HINDS and RAJMOHAN AUTAR of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, during the period from on or about June 1, 2007 to on or about July 31, 2007, stole property from Countrywide Home Loans and the value of the property exceeded one million dollars.

THIRTY-FOURTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants AFG FINANCIAL GROUP, INC., AARON HAND and MARC ZIROGIANNIS, in the County of New York and elsewhere, during the period from on or about June 1, 2007 to on or about August 31, 2007, stole property from Saxon Mortgage and the value of the property exceeded one million dollars.

THIRTY-FIFTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendant JERRY STRKLJA of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendant JERRY STRKLJA, in the County of New York and elsewhere, during the period from on or about June 1, 2007 to on or about August 31, 2007, stole property from Saxon Mortgage and the value of the property exceeded one million dollars.

THIRTY-SIXTH COUNT:

AND THE GRAND JURY AFORESAID, by this indictment, further accuse the defendants ALLYSON HINDS and RAJMOHAN AUTAR of the crime of **GRAND LARCENY IN THE FIRST DEGREE**, in violation of Penal Law §155.42, committed as follows:

The defendants ALLYSON HINDS and RAJMOHAN AUTAR, in the County of New York and elsewhere, during the period from on or about July 1, 2007 to on or about August 31, 2007, stole property from Saxon Mortgage and the value of the property exceeded one million dollars.

ROBERT M. MORGENTHAU  
District Attorney



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**THE PEOPLE OF THE STATE OF NEW YORK**

-against-

**AFG FINANCIAL GROUP, INC.,  
AARON HAND,  
EUGENE CULBREATH,  
ERIC SHIELDS,  
MATTHEW MCDERMOTT,  
MARC ZIROGIANNIS,  
KENNETH LAW,  
KATHLEEN SCANLON,  
JEFFREY PHELAN,  
JERRY STRKLJA  
MARILYN MATEO,  
DARLITA BOSTIC,  
ALLYSON HINDS,  
RAJMOHAN AUTAR,**

**Defendants.**

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**INDICTMENT**

**ENTERPRISE CORRUPTION, P.L. §460.20(1)(a)** (all defendants)

**SCHEME TO DEFRAUD IN THE FIRST DEGREE, P.L. §190.65(1)(b)** (all defendants)

**CONSPIRACY IN THE FIFTH DEGREE, P.L. §105.05(1)** (all defendants)

**GRAND LARCENY IN THE FIRST DEGREE, P.L. §155.42** (defendant AFG Financial Group, Inc., 5 cts.; defendant Hand, 5 cts.; defendant Ziropiannis, 3 cts.; defendant Mateo, 3 cts.; defendant Culbreath, 2 cts.; defendant Phelan, 2 cts.; defendant Strklja, 2 cts.; Defendant Autar, 2 cts.; defendant Hinds, 2 cts.; defendant Shields, 1 ct.; defendant Law, 1 ct.)

**GRAND LARCENY IN THE SECOND DEGREE, P.L. §155.40(1)** (defendant AFG Financial Group, Inc., 18 cts.; defendant Hand, 18 cts.; defendant Ziropiannis, 10 cts.; defendant Phelan, 8 cts.; defendant Culbreath, 8 cts.; defendant Law, 6 cts.; defendant Mateo, 5 cts.; defendant Strklja, 5 cts.; defendant Hinds, 4 cts.; defendant Autar, 4 cts.; defendant Shields, 3 cts.; defendant McDermott, 3 cts.; defendant Bostic, 3 cts.; defendant Scanlon, 3 cts.)

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**ROBERT M. MORGENTHAU**  
District Attorney

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Foreperson

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ADA Edward Starishevsky  
ADA Harold Wilson  
ADA Gary Fishman  
ADA Garrett Lynch  
Investigation Division Central

**A True Bill**

