

RECEIVED

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

MAR 20 2013

AT 8:30 \_\_\_\_\_ M  
WILLIAM T. WALSH  
CLERK

UNITED STATES OF AMERICA :  
 : Criminal No. 13-121 (JBS)  
 v. :  
 : 18 U.S.C. §§ 982(a)(1)  
 JOHN LEADBEATER and : and (2), 1349 & 1956(h)  
 DANIEL CARDILLO :  
 :

**SUPERSEDING INDICTMENT**

The Grand Jury in and for the District of New Jersey,  
sitting at Camden, charges:

**COUNT 1**

**(Conspiracy To Commit Wire Fraud)**

**The Defendants and Co-conspirators**

1. At all times relevant to this Indictment:

(a) Defendant JOHN LEADBEATER resided in New Jersey,  
and was the sole owner and operator of the companies, BCJL  
Enterprises, LLC ("BCJL Enterprises") and Lead 1 Investments, LLC  
("Lead 1 Investments"). JOHN LEADBEATER held himself out to be a  
provider of real estate investors.

(b) DANIEL CARDILLO resided in New Jersey, and was the  
sole owner and operator of NJ Telecom Consultants, LLC.

(c) P.W., who is named as a co-conspirator but not as  
a defendant herein, resided in New Jersey, was the owner of  
Jennifer Lane Building, LLC, and held himself out to be a  
provider of real estate investors.

(d) S.S., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, was the owner and operator of DCSN Enterprises, LLC, and held himself out to be a provider of real estate investors.

(e) M.G., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, was the owner of Primetime Property Management, LLC, and held himself out to be a provider of real estate investors.

(f) A.C., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was a real estate agent for Century 21 Alliance in Wildwood, New Jersey.

(g) M.M., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was a mortgage broker for Strong Point Mortgage, a/k/a "Winged Foot Financial," located in Lakewood, New Jersey.

(h) E.R., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was employed by Strong Point Mortgage, a/k/a "Winged Foot Financial," located in Lakewood, New Jersey. E.R. held himself out to be property manager.

(i) D.H., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was a mortgage broker for Choice One Mortgage located in Marlton, New Jersey.

(j) J.B., who is named as a co-conspirator but not as

a defendant herein, resided in Arkansas, and was the owner and operator of Five Stone Development Corp.

(k) J.S., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was the owner and operator of JTS Investment Group, LLC.

(l) R.H., who is named as a co-conspirator but not as a defendant herein, resided in Ohio.

(m) D.R., who is named as a co-conspirator but not as a defendant herein, resided in California, and was the owner and operator of Hot House Properties and Investments.

(n) J.T., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was the owner and operator of Trinity Investments, LLC.

(o) W.M., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was the owner and operator of NRM Property Management.

(p) E.B., who is named as a co-conspirator but not as a defendant herein, resided in New York.

(q) A.V., who is named as a co-conspirator but not as a defendant herein, resided in New York.

(r) G.G., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey.

(s) E.A., who is named as a co-conspirator but not as a defendant herein, resided in California.

(t) R.H., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey.

(u) R.C., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey.

(v) J.M., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey and was employed by Shore Title Agency as a title agent.

(w) R.S., who is named as a co-conspirator but not as a defendant herein, resided in New Jersey, and was an attorney practicing law in the State of New Jersey.

**Other Entities**

2. At all times relevant to this Indictment:

(a) www.rentalgroupLLC.com, which is a company owned and operated by W.W., developed properties in the Wildwood, New Jersey area.

(b) Bella Mar Properties, LLC, which is a company owned and operated by P.D., developed properties in the Wildwood, New Jersey area.

(c) Holiday Developers, Inc., which is a company owned and operated by M.D., developed properties in the Wildwood, New Jersey area.

(d) Avalon Aerospace, LLC, which is a company owned and operated by J.G., developed properties in the Wildwood, New

Jersey area.

(e) Carousel by the Sea, which is a company owned and operated by J.C., developed properties in the Wildwood, New Jersey area.

(f) Tahiti, LLC, which is a company owned and operated by C.K., developed properties in the Wildwood, New Jersey area.

(g) Crest Bonanza, LLC, which is a company owned and operated by C.K., developed properties in the Wildwood, New Jersey area.

(h) Edgewater Properties, LLC, which is a company owned and operated by P.D., developed properties in the Wildwood, New Jersey area.

(i) Sweet Briar Development Corp., which is a company owned and operated by P.D., developed properties in the Wildwood, New Jersey area.

(j) Burke Avenue Development Corp., which is a company owned and operated by P.D., developed properties in the Wildwood, New Jersey area.

(k) WMC Mortgage Corp. was engaged in the business of making mortgage loans and had offices in California.

(l) Mortgage Lenders Network was engaged in the business of making mortgage loans and had offices in Connecticut.

(m) Equity One was engaged in the business of making mortgage loans and had offices in New Jersey.

(n) DB Nat'l Trust Co. was engaged in the business of making mortgage loans and had offices in New York.

(o) GMAC Mortgage Clearing Account was engaged in the business of making mortgage loans and had offices in Arizona.

(p) Accredited Home Lenders was engaged in the business of making mortgage loans and had offices in South Carolina.

(q) North American Mortgage Company was engaged in the business of making mortgage loans and had offices in California.

(r) JP Morgan Chase was engaged in the business of making mortgage loans and had offices in Ohio.

(s) Natty Mac Capital Pre Funding was engaged in the business of making mortgage loans and had offices in Florida.

(t) Country Wide Home Loans was engaged in the business of making mortgage loans and had offices in California.

(u) Capital Markets WG was engaged in the business of making mortgage loans and had offices in New Jersey.

(v) New Century Mortgage Corp. was engaged in the business of making mortgage loans and had offices in California.

(w) Long Beach Mortgage was engaged in the business of making mortgage loans and had offices in California.

(x) Warehouse Clearing was engaged in the business of making mortgage loans and had offices in Michigan.

(y) First Magnus Financial Corp. was engaged in the business of making mortgage loans and had offices in Arizona.

(z) Indy Mac Bank was engaged in the business of making mortgage loans and had offices in California.

(aa) Wells Fargo Home Mortgage was engaged in the business of making mortgage loans and had offices in Iowa.

(bb) BNC Mortgage Clearing was engaged in the business of making mortgage loans and had offices in Delaware.

(cc) Shore Title Agency was a title company at which real estate transactions took place and had offices in North Wildwood, New Jersey.

(dd) The Title Company of Jersey was a title company at which real estate transactions took place and had offices in Wildwood, New Jersey.

#### Mortgage Lending Generally

3. Mortgage loans were loans funded by banks and other financial institutions ("Lenders") to enable purchasers to finance the purchase of real estate. To apply for a mortgage loan, purchasers/borrowers typically filled out several forms, including a form called the Uniform Residential Loan Application. Lenders evaluated and relied upon the financial representations contained in the Uniform Residential Loan Application and other documents pertaining to the purchaser/borrower's income, assets,

credit eligibility, and down payment requirements in deciding whether to loan a particular purchaser/borrower money for a mortgage. Lenders also evaluated and relied upon the representations in connection with the loan application pertaining to the purchaser/borrower's employment, and how the purchaser/borrower intended to use the property as either a primary residence, secondary residence, or investment property. In addition, Lenders also assessed the value of the real estate that would secure the mortgage loan by reviewing and relying on property appraisals and other documents.

4. After locating an available property of interest, a purchaser/borrower typically applied for a mortgage loan through a mortgage Lender or a mortgage originator. Generally, mortgage brokers were third parties who acted as an intermediary between a purchaser/borrower and a pool of potential Lenders, one of which was selected based on the purchaser/borrower's financing needs and ability to repay the loan. Mortgage brokers were generally responsible for collecting documents from the purchaser/borrower in support of the mortgage loan, including the loan application. Additionally, the mortgage broker interviewed the proposed purchaser/borrower and obtained all pertinent data, including the borrower's name, date of birth, social security number, home address, monthly base employment income, employer, assets, and liabilities. Frequently, the mortgage broker made



the initial loan to the purchaser/borrower and then sold it to a Lender after a short period of time, usually between one to thirty days after making the loan. Other times, the mortgage broker simply obtained and verified all of the relevant information for the Lender, including information on the Uniform Residential Loan Application, and the Lender made the mortgage directly to the borrower. A mortgage originator also assisted a purchaser/borrower to complete a mortgage transaction. Unlike a mortgage broker, a mortgage originator distributed its own money to fund the mortgage.

5. Real estate appraisers were responsible for determining the fair market value of real estate properties. Fair market value was defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, in which the buyer and seller act prudently and knowledgeably, assuming the price is not affected by undue stimulus.

6. Frequently, the mortgage loan was closed at a title company or an attorney's office. If a loan closed at a title company, the title company's escrow officers were responsible for depositing monetary instruments and funds provided by the purchaser/borrower (including down payments) and mortgage funds from the Lender (which were typically obtained by wire transfer) or on its behalf to the title company's escrow

account, and, when authorized by the parties to the transaction and the Lender, for disbursing the funds from the escrow account to various individuals and entities as detailed on the U.S. Department of Housing and Urban Development Settlement Statement (hereinafter "HUD-1 Settlement Statement"). The HUD-1 Settlement Statement detailed the actual disbursement of monies, including mortgage fund loans, to the proper entities and/or individuals according to the original loan application.

7. After the loan application was approved, the mortgage Lender caused funds to be transmitted (typically by wire transfer) to a settlement agent, such as a title company or a closing attorney. The title companies and/or closing attorneys then distributed the funds according to the HUD-1 Settlement Statements, generally with a large portion of the funds being distributed to the seller of the property. After funding the mortgages, the mortgage Lenders either serviced the loans during the mortgage period or sold them in the secondary market.

The Conspiracy

8. From in or about May 2006 through in or about August 2011, at Wildwood and Wildwood Crest, in Cape May County, in the District of New Jersey, and elsewhere, defendants

JOHN LEADBEATER  
and  
DANIEL CARDILLO

did knowingly and intentionally conspire and agree with others to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice is set forth below in substance and in part, and for the purpose of executing such scheme and artifice, to transmit and cause to be transmitted by means of wire communications in interstate commerce certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

Object Of The Conspiracy

9. The object of the conspiracy, which caused more than thirteen million dollars of losses to various Lenders, was to profit from the sale of ocean town condominiums overbuilt by financially distressed developers in Wildwood and Wildwood Crest, New Jersey by obtaining mortgage loans for unqualified borrowers using fraudulent loan applications, HUD-1 Settlement Statements, and other documents.

Manner And Means Of The Conspiracy

10. It was part of the conspiracy that defendant JOHN LEADBEATER located ocean town condominiums overbuilt by financially distressed developers in Wildwood and Wildwood Crest, New Jersey (the "Wildwood Properties") to purchase.

11. It was further part of the conspiracy that defendant JOHN LEADBEATER, co-conspirators P.W., S.S., M.G., and others, recruited "straw purchasers" (the "Straw Purchasers") to purchase the Wildwood Properties. The Straw Purchasers included, among others, defendant DANIEL CARDILLO and co-conspirators J.S., R.H., J.B., D.R., J.T., and W.M., whom the conspirators knew had good credit scores, but lacked the financial resources to qualify for mortgage loans.

12. It was further part of the conspiracy that defendant JOHN LEADBEATER and co-conspirators P.W., S.S., M.G., and others informed the Straw Purchasers, including co-conspirators J.S., R.H., J.B., D.R., J.T., and W.M. that in exchange for purchasing the properties in their names, the Straw Purchasers:

- a. would neither pay deposits nor closing costs to acquire the properties;
- b. would not have to make monthly mortgage payments after they owned the properties;
- c. would receive an up-front payment after the

closing for allowing their names and credit information to be used in connection with the transaction; and/or

d. would not have to manage the properties because defendant JOHN LEADBEATER and/or co-conspirators P.W., S.S., M.G., and others would maintain the properties, locate renters, collect rent, and make mortgage payments.

13. It was further part of the conspiracy that the conspirators obtained mortgage loans for the Straw Purchasers through fraudulent loan applications by providing false information concerning the employment, income, and assets of the Straw Purchasers and the Straw Purchasers' intended use of the properties.

14. It was further part of the conspiracy that the conspirators, including P.W., M.M., E.R., S.S., and R.H. created false documents such as fake Forms W-2, income tax returns, investment "statements," and rental agreements to make the Straw Purchasers appear more creditworthy than the Straw Purchasers actually were in order to induce the Lenders to make the loans to the Straw Purchasers.

15. It was further part of the conspiracy that the conspirators caused fraudulent documents to be prepared concerning the properties, including HUD-1 Settlement Statements that were supposed to accurately reflect the amounts of money due from the Straw Purchasers and to be paid to the sellers to close

the sales of the properties.

16. It was further part of the conspiracy that prior to and during the closings, the conspirators caused the HUD-1 Settlement Statements, settlement disbursement sheets, and other documents to be manipulated, to falsely show that the Straw Purchasers brought their own funds to the closing when, in fact, the Straw Purchasers did not.

17. It was further part of the conspiracy that the conspirators, including defendant JOHN LEADBEATER, P.W., S.S., M.G., J.B., D.R., J.T., and W.M. took proceeds from the fraudulent mortgage loans by having funds wired or checks deposited into various accounts that they controlled. The Straw Purchasers, including co-conspirators J.B., E.B., A.V., S.S., G.G., D.R., J.T., W.M., E.A., J.S., R.H., R.C., and R.H. were paid a portion of the funds.

#### Furthering The Conspiracy

18. In furtherance of the conspiracy and to effect its objects, its members committed and caused to be committed numerous transactions involving the properties, including those on or about the following dates involving the following approximate amounts:

**The Wildwood Properties**

<b>Closing Date</b>	<b>Property</b>	<b>Lender</b>	<b>Mortgage Funds Released</b>
05/03/06	203 E. Pine Ave., Unit 203B, Wildwood, NJ 08260	WMC Mortgage Corp.	\$392,340.18
05/31/06	201 E. Pine Ave., Unit 201A, Wildwood, NJ 08260	Mortgage Lenders Network	\$385,583.64
06/09/06	229 E. Pine Ave., Unit 7, Wildwood, NJ 08260	Equity One	\$374,435.52
06/19/06	229 E. Pine Ave., Unit 5, Wildwood, NJ 08260	DB Nat'l Trust Co	\$309,996.96
07/12/06	401 E. Stanton Rd., Unit 303, Wildwood Crest, NJ 08260	New Century Mortgage	\$510,824.96
07/26/06	401 E. Stanton Rd., Unit 204, Wildwood Crest, NJ 08260	New Century Mortgage	\$509,006.16
11/01/06	215 W. Buttercup Rd., Wildwood Crest, NJ 08260	Long Beach Mortgage	\$566,232.00
11/17/06	5601 Park Blvd., Wildwood Crest, NJ 08260	Mortgage Lenders Network	\$522,748.88
12/21/06	106 W. Sweet Briar Rd., Wildwood Crest, NJ 08260	Mortgage Lenders Network	\$539,113.31
01/30/07	216 E. Denver Ave., Unit 206, Wildwood Crest, NJ 08260	GMAC Mtg. Clearing Account	\$590,363.80

03/05/07	5501 Atlantic Ave., Unit 305, Wildwood Crest, NJ 08260	BNC Mortgage Clearing	\$534,230.36
03/13/07	5501 Atlantic Ave., Unit 206, Wildwood Crest, NJ 08260	First Magnus Financial Corp	\$652,357.50
05/11/07	5501 Atlantic Ave., Unit 207, Wildwood Crest, NJ 08260	Indy Mac Bank	\$629,018.59
05/11/07	618 W. Burke, Ave., Unit 201, Wildwood, NJ 08260	Accredited Home Lenders	\$500,697.85
05/18/07	4601 Niagra Ave., Unit 200, Wildwood, NJ 08260	Wells Fargo Home Mortgage	\$401,443.16
05/24/07	616 W. Burke Ave., Unit 100, Wildwood, NJ 08260	Warehouse Clearing	\$517,878.85
06/20/07	5501 Atlantic Ave., Unit 205, Wildwood Crest, NJ 08260	North American Mortgage Company	\$534,327.20
07/25/07	401 E. Stanton Ave., Unit 201, Wildwood Crest, NJ 08260	JP Morgan Chase	\$617,519.39
07/25/07	411 E. Buttercup Rd., Wildwood Crest, NJ 08260	Country Wide Home Loans	\$527,980.61
09/26/07	5501 Atlantic Ave., Unit 204, Wildwood Crest, NJ 08260	JP Morgan Chase	\$601,558.35
09/28/07	307 E. Poplar Ave., Unit 201, Wildwood, NJ 08260	Natty Mac Capital Pre Funding	\$416,625.66
11/02/07	305-307 E. Poplar Ave., Unit 200, Wildwood, NJ 08260	JP Morgan Chase	\$451,109.54



11/26/07	415 Heather Road a/k/a 5700 Ocean Ave., Unit 102, Wildwood Crest, NJ 08260	JP Morgan Chase	\$589,567.07
12/07/07	620 W. Burke Ave., Unit 102, Wildwood, NJ 08260	Country Wide Home Loans	\$445,141.61
12/18/07	309 E. Poplar Ave., Unit 202, Wildwood, NJ 08260	Country Wide Home Loans	\$387,854.63
03/26/08	415 Heather Road a/k/a 5700 Ocean Ave., Unit 306, Wildwood Crest, NJ 08260	Capital Markets WG	\$574,200.00

19. These transactions generally followed two distinct patterns. The first pattern involved same-day closings on the same property:

a. Defendant JOHN LEADBEATER located a real estate property to purchase, typically from a real estate developer, and purchased the property "dry," meaning that little to no funds were produced for that transaction.

b. Defendant JOHN LEADBEATER recruited a Straw Purchaser, such as co-conspirators J.S. and R.H., to purchase the same property JOHN LEADBEATER had purchased "dry" at a substantially increased sales price.

c. Co-conspirators M.M., E.R., D.H., and others completed the Straw Purchaser's loan application, attributed to the Straw Purchaser inflated incomes, false bank account balances, fake sales contract deposits, fictitious assets, and sometimes falsely indicated that the properties would be owner-occupied, rather than investment properties.

d. The closings for both transactions occurred on the same day.

e. The Straw Purchaser or a designee attended the closing which was held at a title company such as Shore Title Agency or the Title Company of Jersey. There, defendant JOHN LEADBEATER directed title clerks, such as co-conspirator J.M., to prepare documents for the closings, including fraudulent HUD-1 Uniform Settlement Statements signed by the Straw Purchaser reflecting deposits and funds brought to closing by the Straw Purchaser that had never been made.

f. Title companies, such as Shore Title Agency and Title Company of Jersey through their employees, distributed proceeds of the fraudulently-obtained mortgage loan to the conspirators by wire transferring funds into an account controlled by defendant JOHN LEADBEATER, or issuing a check made payable to JOHN LEADBEATER's companies, such as BCJL Enterprises or Lead 1 Investments.

20. The second pattern involved fraudulent line item payments off of the HUD-1 Settlement Statement:

a. Defendant JOHN LEADBEATER and co-conspirators P.W. and S.S. located a real estate property to purchase, typically from a real estate developer.

b. Defendant JOHN LEADBEATER and co-conspirators P.W. and S.S. recruited a Straw Purchaser, such as defendant DANIEL CARDILLO and co-conspirators J.S., J.B., D.R., J.T., and W.M. to purchase the property at a sales price that included a substantial increase to cover a pay-out to defendant JOHN LEADBEATER and/or co-conspirators P.W. and S.S.

c. Co-conspirators M.M., E.R., and others completed the Straw Purchaser's loan application, attributed to the Straw Purchaser inflated incomes, false bank account balances, fake sales contract deposits, fictitious assets, and sometimes falsely indicated that the properties would be owner-occupied, rather than investment properties.

d. The Straw Purchaser or a designee attended the closing which was held at a title company such as Shore Title Agency or Title Company of Jersey. There, defendant JOHN LEADBEATER and/or co-conspirators P.W. and S.S. directed title clerks to prepare documents for the closings, including fraudulent HUD-1 Uniform Settlement Statements signed by the Straw Purchaser reflecting deposits and funds brought to closing

by the Straw Purchaser that had never been made.

e. Title clerks for co-conspirators Shore Title Agency and Title Company of Jersey distributed proceeds of the fraudulently-obtained mortgage loan to the conspirators by wire transferring funds into an account controlled by defendant JOHN LEADBEATER, or co-conspirator S.S., or by issuing a check made payable to JOHN LEADBEATER'S companies, such as BCJL Enterprises or Lead 1 Investments, or S.S.'s company, DCSN Enterprises.

In violation of Title 18, United States Code, Section 1349.

COUNT 2

**(Conspiracy To Commit Money Laundering)**

1. Paragraphs 1 through 7 and 9 through 20 of Count 1 of this Indictment are hereby realleged and incorporated as though set forth in full herein.

2. From in or about May 2006 through on or about March 26, 2008, in the District of New Jersey and elsewhere, defendant

JOHN LEADBEATER

did knowingly conspire with others to engage in monetary transactions, namely, deposits, withdrawals, transfers and exchanges of U.S. currency and monetary instruments, through financial institutions affecting interstate commerce, in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, namely, conspiracy to commit wire fraud and wire fraud, contrary to Title 18, United States Code, Section 1957.

3. As part of the conspiracy, the conspirators caused more than thirteen million dollars in fraudulent mortgage loans to be funded during 2006, 2007, and 2008 to enable unqualified Straw Purchasers to purchase the Wildwood Properties. Once the funds for these mortgages were deposited into a title company's escrow account, the co-conspirators extracted proceeds from the fraud through wire transfers and checks to defendant JOHN

LEADBEATER and co-conspirators P.W. and S.S. who, in turn, transmitted a portion of those proceeds to the Straw Purchasers.

4. As further part of the conspiracy, defendant JOHN LEADBEATER and his co-conspirators caused the following wire transfers or checks to be deposited for the following approximate amounts:

**Proceeds Associated with Sales of the Wildwood Properties**

Date of Monetary Transaction	Wire Transfer or Check	Amount	Received By
05/03/06	wire	\$94,995.69	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
05/31/06	check to "BCJL Enterprises LLC"	\$87,369.71	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
06/09/06	check to "BCJL Enterprises LLC"	\$15,057.25	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
06/19/06	check to "BCJL Enterprises LLC"	\$12,457.33	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
07/12/06	check to "BCJL Enterprises LLC"	\$50,000.00	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater

11/01/06	check to "BCJL Enterprises LLC"	\$20,000.00	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
11/17/06	check to "BCJL Enterprises"	\$25,000.00	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
12/21/06	check to "BCJL Enterprises"	\$50,000.00	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
01/30/07	wire	\$122,024.67	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
03/05/07	wire	\$55,230.00	Bank of America account number 009508052670 in the name of Lead 1 Investments, LLC
03/05/07	check to "BCJL Enterprises LLC"	\$61,950.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
03/13/07	check to "BCLJ Enterprises LLC"	\$61,950.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
05/11/07	check to "BCJL Enterprises LLC"	\$54,030.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
05/11/07	check to "BCJL Enterprises"	\$53,336.70	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC

05/18/07	check to "Lead 1 Investments LLC" endorsed by John Leadbeater and signed over to W.M.	\$50,000.00	Washington Mutual Bank account number 313-269427-0 in the name of NRM Property Management, LLC
05/24/07	check to "Lead 1 Investments LLC"	\$80,000.00	Bank of America account number 009508052670 in the name of Lead 1 Investments, LLC
05/24/07	check to "BCJL Enterprises LLC"	\$50,000.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
06/20/07	check to "BCJL Enterprises LLC	\$60,926.70	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
07/25/07	wire	\$301,721.83	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
07/25/07	wire	\$166,622.89	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
07/26/07	check	\$23,081.16	Bank of America account number 0001 1825 4494 in the name of John and Kathryn Leadbeater
09/26/07	check to "Lead 1 Investments LLC"	\$153,220.49	Bank of America account number 009508052670 in the name of Lead 1 Investments, LLC
09/28/07	wire	\$170,949.53	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
11/02/07	wire	\$235,065.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC



11/26/07	wire	\$284,218.86	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
12/07/07	wire	\$159,100.00	\$153,100 wired into PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC  \$6,000 placed as deposits on other properties
12/18/07	wire	\$245,084.00	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
03/26/08	wire	\$188,932.94	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC
03/26/08	wired	\$29,194.03	PNC Bank account number 80-3448-5209 in the name of BCJL Enterprises, LLC

In violation of Title 18, United States Code, Section 1956(h) .

**FORFEITURE ALLEGATION**

1. The United States hereby gives notice to defendant JOHN LEADBEATER that, upon his conviction of the offense in violation of Title 18, United States Code, Section 1956(h) charged in Count 2 of this Indictment, the Government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), of all property, real and personal, involved in those offenses, and all property traceable thereto, including but not limited to a sum of money equal to at least approximately \$2,961,518.78 in United States currency, representing the amount of proceeds obtained as a result of the offense, for which the defendant is jointly and severally liable.

2. If any of the above-described forfeitable property, as a result of any act or omission of defendant JOHN LEADBEATER:

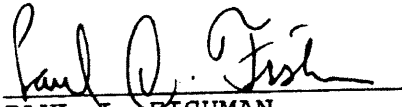
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value;
- or
- e. has been commingled with other property which cannot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

the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of defendant JOHN LEADBEATER up to the value of the forfeitable property described above.

Pursuant to Title 18, United States Code, Section 982(a)(1).

A TRUE BILL

FOREPERSON *JP*

  
\_\_\_\_\_  
PAUL J. FISHMAN  
UNITED STATES ATTORNEY