



Department of Justice

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Updated Press Release: first issued September 22, 2009
Update reflects correct investigating agency

SACRAMENTO MAN PLEADS GUILTY TO DEFRAUDING TRUCKERS

SACRAMENTO, Calif. – United States Attorney Lawrence G. Brown announced today that KULWANT SINGH GILL, 51, of Antelope, pleaded guilty yesterday before United States District Judge Lawrence K. Karlton to charges in two separate indictments against him involving a scheme to defraud trucking companies out of payment for interstate freight deliveries. In total, GILL pleaded guilty to eight counts of wire fraud, and five counts of making false statements to a government agency.

This case is the product of an extensive investigation by the United States Department of Transportation, Office of the Inspector General.

According to Assistant United States Attorney Laurel Loomis Rimón, who is prosecuting the case, GILL owned and operated companies authorized by the Department of Transportation to broker the interstate transportation of freight, and to transport freight loads. GILL admitted that during 2004 and 2005, he submitted applications for motor carrier broker licenses to the Federal Motor Carrier Safety Administration, an agency of the Department of Transportation, using false names, social security numbers, and driver's license numbers.

Further, GILL admitted that, between 2002 and 2005, he used Internet-based "load-posting" boards to find freight loads that were available for transport and would offer to transport those loads for a fixed price. Then, he would re-post those loads on the same or different Web sites, acting as a broker seeking another trucking company willing to transport the freight. In over 100 instances, GILL found trucking companies to deliver the freight, allowed them to make the deliveries, and then received payment from the original brokers who believed GILL had completed the deliveries himself. GILL then refused to pay the trucking companies who actually transported the freight, keeping the money for himself. Later, in 2007, having already been indicted for his earlier conduct, GILL continued his scheme in the exact same manner, defrauding a number of additional trucking companies. GILL obtained approximately \$425,000 through this scheme.

Each wire fraud count carries a maximum penalty of 20 years in prison, and each false statement count carries a maximum penalty of five years in prison. In addition, the defendant may be required to pay a fine and restitution. The actual sentence, however, will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables and any applicable statutory sentencing factors.

GILL's sentencing is scheduled for February 9, 2010.