

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) No. 08 CR 1023
 vs.)
) Violations: Title 18, United States
 DEANGELO MCMAHAN,) Code, Sections 1341, 1343, 1344
 FRED HAYWOOD,) and 1028A(a)(1)
 RITA MCKENZIE,)
 STEVE YOUNG,)
 CARL MCMAHAN and) **Superseding Indictment**
 SUMIRA PERSAUD)
)

COUNT ONE

The SPECIAL SEPTEMBER 2008 GRAND JURY charges:

1. At times material to this superseding indictment:
 - (a) BNC Mortgage, Encore Credit Corporation, PGNF Home Lending, Accredited Home Lenders and People's Choice Home Loan were mortgage lenders engaged in the business of funding loans for the purchase of residential properties.
 - (b) DEANGELO MCMAHAN was a loan officer for various mortgage brokerage companies and also owned or was affiliated with several businesses, including McMahan and Associates, 600 Inc. and McMahan C & R, Inc.
 - (d) FRED HAYWOOD was a loan officer for various mortgage brokerage companies and also operated a company doing business as New Christian Property Management, which was purportedly in the business of property management.
 - (e) RITA MCKENZIE acted in the capacity of a loan processor for mortgage brokerage company loan officers, and originated mortgage loans using the names of mortgage brokerage company loan officers.

- (f) STEVE YOUNG was a loan officer for various mortgage brokerage companies.
- (g) CARL MCMAHAN was employed in the construction industry and operated a company doing business as Accurate Construction, which was purportedly in the business of rehabbing residential properties.
- (h) SUMIRA PERSAUD was an unlicensed property appraiser and operated a company doing business as Premier Investment Svc., Inc., which was purportedly in the business of property management.

2. Beginning no later than in or about July 2002 and continuing until in or about June 2007, in the Northern District of Illinois, Eastern Division, and elsewhere,

DEANGELO MCMAHAN,
FRED HAYWOOD,
RITA MCKENZIE,
STEVE YOUNG,
CARL MCMAHAN and
SUMIRA PERSAUD,

defendants herein, together with others known and unknown to the Grand Jury, devised, intended to devise, and participated in a scheme to defraud and obtain money from mortgage lenders, including BNC Mortgage, Encore Credit Corporation, PGNF Home Lending, Accredited Home Lenders and People's Choice Home Loan by means of materially false and fraudulent pretenses, representations, and promises, which scheme is further described below.

3. It was part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD, together with other co-schemers, fraudulently obtained in excess of \$10 million in mortgage loan proceeds from mortgage lenders by submitting loan applications and supporting loan documents containing materially false and fraudulent statements.

4. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD and others arranged for buyers with good credit, but insufficient income, to purchase residential properties by promising these buyers payment for acting as nominees, well knowing that in most cases the buyers did not intend to occupy the properties as their primary residences or fulfill any long term payment obligations on the properties.

5. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD and others caused materially false information to be placed in mortgage loan applications, including false information regarding an applicant's income, assets, employment, intention to occupy the property and the source of any down payment, so that the applicant would falsely appear to be qualified for a mortgage loan.

6. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD and others created, or caused to be created, false and fraudulent documents to support the false information they provided in the mortgage loan applications, including false verifications of deposit, false verifications of employment, false verifications of rent, false leases, false W-2 tax forms, false pay stubs, false earnest money deposit checks, and false appraisals.

7. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD and others created or caused to be created appraisals that were not intended to reflect the fair market value of the properties but instead were designed to create excess value from the properties.

8. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD and others disguised their receipt of the proceeds of the fraudulently obtained mortgage loans by creating entities which served as payees on checks issued by title companies at closing.

5628 S. Laflin Street, Chicago, Illinois

9. It was further part of the scheme that in or about December 2003, defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD knowingly submitted and caused to be submitted a false and fraudulent loan application in the name of Individual A to BNC Mortgage, in order to fraudulently obtain a mortgage loan to finance the purchase of 5628 S. Laflin Street, Chicago, Illinois.

10. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD knowingly caused the loan application for the purchase of the 5628 S. Laflin Street property to include false and fraudulent employment and income information, including a false verification of employment, false W-2 tax forms and false pay stubs, which showed that Individual A was employed at Broadway Ultimate Resale Store, when defendants well knew Individual A was not employed at Broadway Ultimate Resale Store.

11. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD knowingly caused the loan application for the 5628 S. Laflin Street property to include a false and fraudulent appraisal, which inflated the value of the property.

12. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD knowingly provided the funds represented to be the down payment for the purchase of the 5628 S. Laflin Street property to the buyer, Individual A, without

the knowledge of BNC Mortgage.

13. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD knowingly caused money from the transaction to be paid to the buyer, Individual A, as payment for being a nominee buyer, without the knowledge of BNC Mortgage.

14. It was further part of the scheme that, at the closing of the sale of 5628 S. Laflin Street, defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make an \$8,787.12 check representing proceeds of the transaction to be made payable to defendant HAYWOOD's company, New Christian Property Management, and negotiating this check.

15. It was further part of the scheme that, at the closing of the sale of 5628 S. Laflin Street, defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make a \$22,608.15 check representing proceeds of the transaction to be made payable to defendant MCMAHAN's company, McMahan C & R, Inc., and negotiating this check.

16. It was further part of the scheme that, at the closing of the sale of 5628 S. Laflin Street, defendants DEANGELO MCMAHAN, FRED HAYWOOD and SUMIRA PERSAUD obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make a \$5,000 check representing proceeds of the transaction to be made payable to PERSAUD's company, Premier Investment Svc., Inc., and negotiating this check.

5540 S. Wood Street, Chicago, Illinois

17. It was further part of the scheme that in or about January 2004, defendants FRED HAYWOOD and SUMIRA PERSAUD knowingly submitted and caused to be submitted a false loan application in the name of Individual B to Encore Credit Corporation, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 5540 S. Wood Street, Chicago, Illinois.

18. It was further part of the scheme that defendants FRED HAYWOOD and SUMIRA PERSAUD caused the loan application for purchase of the 5540 S. Wood Street property to include false and fraudulent employment, income and rental information, including a false verification of rent.

19. It was further part of the scheme that, at the closing of the sale of 5540 S. Wood Street, defendants FRED HAYWOOD and SUMIRA PERSAUD obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make a \$20,239.37 check representing proceeds of the transaction to be made payable to defendant HAYWOOD's company, New Christian Property Management, and negotiating this check.

20. It was further part of the scheme that, at the closing of the sale of the 5540 S. Wood Street transaction, defendants FRED HAYWOOD and SUMIRA PERSAUD obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make a \$13,200 check representing proceeds of the transaction to be made payable to defendant PERSAUD's company, Premier Investment Svc., Inc., and negotiating this check.

5602 S. Paulina Street, Chicago, Illinois

21. It was further part of the scheme that in or about December 2003, defendants RITA MCKENZIE, STEVE YOUNG and CARL MCMAHAN knowingly submitted and caused to be

submitted a false loan application in the name of Individual C to PGNF Home Lending, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 5602 S. Paulina Street, Chicago, Illinois.

22. It was further part of the scheme that defendants RITA MCKENZIE, STEVE YOUNG and CARL MCMAHAN knowingly caused the loan application for purchase of the 5602 S. Paulina Street property to include false income and employment information, including a false verification of employment, false W-2 tax forms and false pay stubs showing that the buyer, Individual C, was employed at 600 Inc., when defendants well knew that Individual C was not employed at 600 Inc.

23. It was further part of the scheme that defendants RITA MCKENZIE, STEVE YOUNG and CARL MCMAHAN knowingly caused the loan application for purchase of the 5602 S. Paulina Street property to include false occupancy and rental information, including false leases.

24. It was further part of the scheme that defendants RITA MCKENZIE, STEVE YOUNG and CARL MCMAHAN knowingly caused money from the transaction to be paid to the buyer, Individual C, as payment for being a nominee buyer, without the knowledge of PGNF Home Lending.

5718 S. Maplewood, Chicago, Illinois

25. It was further part of the scheme that in or about February 2004, defendants RITA MCKENZIE and STEVE YOUNG knowingly submitted and caused to be submitted a false loan application in the name of Individual C to People's Choice Home Loan, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 5718 S. Maplewood Avenue in Chicago, Illinois.

26. It was further part of the scheme that defendants RITA MCKENZIE and STEVE YOUNG knowingly caused the loan application for purchase of the 5718 S. Maplewood property to include false income and employment information, including a false verification of employment, false W-2 tax forms, and false pay stubs showing that the buyer, Individual C, was employed at 600 Inc., when defendants well knew that Individual C was not employed at 600 Inc.

27. It was further part of the scheme that defendants RITA MCKENZIE and STEVE YOUNG knowingly caused the loan application for purchase of the 5718 S. Maplewood property to include false occupancy and rental information, including false leases.

28. It was further part of the scheme that defendants RITA MCKENZIE and STEVE YOUNG knowingly caused money from the transaction to be paid to the buyer, Individual C, as payment for being a nominee buyer, without the knowledge of People's Choice Home Loan.

5603 S. Paulina Street, Chicago, Illinois

29. It was further part of the scheme that in or about July 2006, defendants RITA MCKENZIE and CARL MCMAHAN knowingly submitted and caused to be submitted a false loan application in the name of Individual D to Accredited Home Lenders, Inc. in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 5603 S. Paulina Street, Chicago, Illinois.

30. It was further part of the scheme that defendants RITA MCKENZIE and CARL MCMAHAN solicited Individual D to purchase the 5603 S. Paulina Street property from Individual E, who defendant CARL MCMAHAN had previously recruited to purchase the property in 2004.

31. It was further part of the scheme that defendants RITA MCKENZIE and CARL MCMAHAN knowingly caused the loan application for purchase of the 5603 S. Paulina Street

property to include false income and employment information, including a false verification of employment showing that the buyer, Individual D, was employed at Accurate Construction, when defendants well knew that Individual D was not employed at Accurate Construction.

32. It was further part of the scheme that defendants RITA MCKENZIE and CARL MCMAHAN knowingly caused the loan application for purchase of the 5603 S. Paulina Street property to include false occupancy and rental information, including a false verification of rent.

33. It was further part of the scheme that defendants DEANGELO MCMAHAN, FRED HAYWOOD, RITA MCKENZIE, STEVE YOUNG, CARL MCMAHAN and SUMIRA PERSAUD did misrepresent, conceal, and hide, and caused to be misrepresented, concealed, and hidden the true purpose of the acts done in furtherance of the scheme.

34. On or about December 24, 2003, at Homewood, in the Northern District of Illinois, Eastern Division,

DEANGELO MCMAHAN,
FRED HAYWOOD and
SUMIRA PERSAUD,

defendants herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, did knowingly cause to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely, a wire transfer of approximately \$171,472.68 from a BNC Mortgage account at Paine Weber in New York, New York, to Great Lakes Bank in Homewood, Illinois, which funds were used to pay the seller of the 5628 S. Laflin Street property;

In violation of Title 18, United States Code, Section 1343.

COUNT TWO

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 33 of Count One of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about January 13, 2004, at Homewood, in the Northern District of Illinois, Eastern Division,

FRED HAYWOOD and
SUMIRA PERSAUD,

defendants herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, knowingly caused to be delivered from Homewood, Illinois, by an interstate carrier, namely Federal Express, an envelope addressed to Fairbanks Capital Corporation, 3815 S. West Temple, Salt Lake City, Utah, 84115, which envelope contained a check payable to Fairbanks Capital Corporation in the amount of \$114,928.07, and which check represented a payoff from the 5540 S. Wood Street transaction;

In violation of Title 18, United States Code, Section 1341.

COUNT THREE

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 33 of Count One of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about February 20, 2004, at Chicago, in the Northern District of Illinois, Eastern Division,

RITA MCKENZIE and
STEVE YOUNG,

defendants herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, did knowingly cause to be delivered from Chicago, Illinois, by an interstate carrier, namely United Parcel Service, an envelope addressed to Wilshine Credit Corporation, Attention Transaction Processing, 14523 SW Millikan Way, Suite 200, Beaverton, Oregon, 97005, which envelope contained a check payable to Wilshine Credit Corporation in the amount of \$214,675.63, and which funds represented a payoff from the 5718 S. Maplewood transaction;

In violation of Title 18, United States Code, Section 1341.

COUNT FOUR

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 33 of Count One of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about July 7, 2006, at Lombard, in the Northern District of Illinois, Eastern Division,

RITA MCKENZIE and
CARL MCMAHAN,

defendants herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, did knowingly cause to be transmitted by means of wire communication in interstate commerce, certain writings, signs, and signals, namely a wire transfer of approximately \$206,482.09 from an Accredited Home Lender account at Deutsche Bank in Santa Ana, California to Mid City National Bank in Chicago, Illinois, which funds were used to pay the seller of the 5603 S. Paulina Street property;

In violation of Title 18, United States Code, Section 1343.

COUNT FIVE

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. At times material to this superseding indictment:

(a) Freemont Investment and Loan, and Bank United were financial institutions, the deposits of which were insured by the Federal Deposit Insurance Corporation, and in the business of funding loans for the purchase of residential properties.

(b) The allegations in paragraph 1(b) and (e) of Count One of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. Beginning no later than in or around July 2002 and continuing until in or about June 2007, in the Northern District of Illinois, Eastern Division, and elsewhere,

DEANGELO MCMAHAN and
RITA MCKENZIE

defendants herein, together with others known and unknown to the Grand Jury, knowingly devised, intended to devise, and participated in a scheme to defraud Freemont Investment and Loan, and Bank United and to obtain moneys and funds under the custody and control of Freemont Investment and Loan, and Bank United by means of materially false and fraudulent pretenses, representations, promises and omissions.

3. It was part of the scheme that defendants DEANGELO MCMAHAN and RITA MCKENZIE, together with other co-schemers, fraudulently obtained moneys and funds under the custody and control of financial institutions by submitting loan applications and supporting loan documents containing materially false and fraudulent statements.

4. It was further part of the scheme that defendants DEANGELO MCMAHAN and RITA MCKENZIE and others arranged for buyers with good credit, but insufficient income, to

purchase residential properties by promising these buyers payment for acting as nominees, well knowing that in most cases the buyers did not intend to occupy the properties as their primary residences or fulfill any long term payment obligations on the properties.

5. It was further part of the scheme that defendants DEANGELO MCMAHAN and RITA MCKENZIE and others caused materially false information to be placed in mortgage loan applications, including false information regarding an applicant's income, assets, employment, intention to occupy the property and the source of any down payment, so that the applicant would falsely appear to be qualified for a mortgage loan.

6. It was further part of the scheme that defendants DEANGELO MCMAHAN and RITA MCKENZIE and others created, or caused to be created, false and fraudulent documents to support the false information they provided in the mortgage loan applications, including false verifications of deposit, false verifications of employment, false verifications of rent, false leases, false W-2 tax forms, false pay stubs.

3844 Rita Drive, Richton Park, Illinois

7. It was further part of the scheme that in or about November 2003, defendant DEANGELO MCMAHAN knowingly submitted and caused to be submitted a false loan application in the name of Individual F to Fremont Investment and Loan, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 3844 Rita Drive, Richton Park, Illinois.

8. It was further part of the scheme that defendant DEANGELO MCMAHAN knowingly caused the loan application for purchase of the 3844 Rita Drive property to include false income and employment information, including that the buyer, Individual F, was employed at 600

Inc., when defendant well knew that Individual F was not employed at 600 Inc.

9. It was further part of the scheme that defendant DEANGELO MCMAHAN knowingly caused the loan application for purchase of the 3844 Rita Drive property to include false occupancy and rental information.

10. It was further part of the scheme that defendant DEANGELO MCMAHAN knowingly caused money from the transaction to be paid to the buyer, Individual F, as payment for being a nominee buyer, without the knowledge of Fremont Investment and Loan.

11. It was further part of the scheme that, at the closing of the sale of 3844 Rita Drive, defendant DEANGELO MCMAHAN obtained proceeds of the fraudulent mortgage loan by knowingly causing the title company to make a \$19,410 check representing proceeds of the transaction to be made payable to Individual G, which check Individual G then deposited into a joint bank account with defendant DEANGELO MCMAHAN.

7646 S. Vernon Avenue, Chicago, Illinois

12. It was further part of the scheme that in or about February 2004, defendant RITA MCKENZIE knowingly submitted and caused to be submitted a false loan application in the name of Individual C to Bank United, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 7646 S. Vernon Avenue, Chicago, Illinois.

13. It was further part of the scheme that defendant RITA MCKENZIE knowingly caused
the loan application for purchase of the 7646 S. Vernon Avenue property to include false income and employment information, including a false verification of employment, false W-2 tax forms and

false pay stubs showing that the buyer, Individual C, was employed at 600 Inc., when defendant well knew that Individual C was not employed at 600 Inc.

14. It was further part of the scheme that defendant RITA MCKENZIE knowingly caused the loan application for purchase of the 7646 S. Vernon Avenue property to include false occupancy and rental information, including false leases.

15. It was further part of the scheme that defendant RITA MCKENZIE knowingly caused money from the transaction to be paid to the buyer, Individual C, as payment for being a nominee buyer, without the knowledge of Bank United.

1309 W. 59th Street, Chicago, Illinois

16. It was further part of the scheme that in or about September 2005, defendant RITA MCKENZIE knowingly submitted and caused to be submitted a false loan application in her name to Fremont Investment and Loan, in order to fraudulently obtain a mortgage loan for a real estate transaction associated with the residential property located at 1309 W. 59th Street, Chicago, Illinois.

17. It was further part of the scheme that defendant RITA MCKENZIE caused the loan application for purchase of the 1309 W. 59th Street property to include a false social security number belonging to Individual H, and which social security number defendant RITA MCKENZIE well knew at the time did not belong to her.

18. It was further part of the scheme that defendant RITA MCKENZIE caused the loan application for the 1309 W. 59th Street property to include false income and employment information, including a false verification of employment, false W-2 tax forms and false pay stubs,

which showed that defendant RITA MCKENZIE was employed at AXA Advisors, when defendant well knew that she was not employed at AXA Advisors.

19. On or about November 6, 2003, at Homewood, in the Northern District of Illinois, Eastern Division,

DEANGELO MCMAHAN,

defendant herein, knowingly executed and attempted to execute a scheme and artifice to defraud Freemont Investment and Loan and to obtain moneys and funds owned by and under the custody and control of Freemont Investment and Loan by means of false pretenses, representations and promises by closing on the mortgage loan in the amount of \$350,000 for the 3844 Rita Drive transaction, and causing the loan proceeds to be disbursed;

In violation of Title 18, United States Code, Section 1344.

COUNT SIX

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 18 of Count Five of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about March 18, 2004, at Chicago, in the Northern District of Illinois, Eastern Division,

RITA MCKENZIE,

defendant herein, knowingly executed and attempted to execute a scheme and artifice to defraud Bank United and to obtain moneys and funds owned by and under the custody and control of Bank United by means of false pretenses, representations and promises by closing on the mortgage loan in the amount of \$139,900 for the 7646 S. Vernon Avenue transaction, and causing the loan proceeds to be disbursed;

In violation of Title 18, United States Code, Section 1344.

COUNT SEVEN

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 18 of Count Five of this superseding indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about September 23, 2005, at Oakbrook, in the Northern District of Illinois, Eastern Division,

RITA MCKENZIE,

defendant herein, knowingly executed and attempted to execute a scheme and artifice to defraud Freemont Investment and Loan and to obtain moneys and funds owned by and under the custody and control of Freemont Investment and Loan by means of false pretenses, representations and promises by closing on the mortgage loan in the amount of \$87,550 for the 1309 W. 59th Street transaction, and causing the loan proceeds to be disbursed;

In violation of Title 18, United States Code, Section 1344.

COUNT EIGHT

The SPECIAL SEPTEMBER 2008 GRAND JURY further charges:

On or about September 23, 2005, at Oakbrook, in the Northern District of Illinois,
Eastern Division,

RITA MCKENZIE,

defendant herein, did knowingly transfer, possess or use or cause the transfer, possession or use,
without lawful authority, a means of identification of another person, namely, the Social Security
Number of Individual H, during and in relation to the bank fraud offense described in Count
Seven of this indictment;

In violation of Title 18, United States Code, Section 1028A(a)(1).

FORFEITURE ALLEGATION

1. The allegations in Counts One through Seven of this indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(2).

2. As a result of their violations of Title 18, United States Code, Sections 1341, 1343 and 1344, as alleged in Counts One through Seven,

DEANGELO MCMAHAN
FRED HAYWOOD,
RITA MCKENZIE,
STEVE YOUNG,
CARL MCMAHAN and
SUMIRA PERSAUD,

defendants herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2), any and all right, title, and interest they may have in any property constituting, and derived from, proceeds they obtained directly or indirectly as the result of such violations.

3. The interests of the defendants subject to forfeiture pursuant to Title 18, United States Code, Section 982(a)(2), include the sum of approximately \$2,383,020.

4. If any of the forfeitable property described above, as a result of any act or omission by defendants:

- (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;

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1);

All pursuant to Title 18, United States Code, Section 982(a)(2).

A TRUE BILL

FOREPERSON

UNITED STATES ATTORNEY