

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) No.
)
) Violations: Title 18, United States Code,
vs.)
) Sections 157(1), 1341, 1519, 1623 and 2
PHILIP A. IGOE and)
STACY A. IGOE)

COUNT ONE

The SPECIAL AUGUST 2009-1 GRAND JURY charges:

1. At times material to this indictment:

a. Defendant PHILIP A. IGOE was an attorney licensed to practice law in the State of Illinois. Defendant practiced law at his firm, the Law Offices of Philip A. Igoe, located in Chicago, Illinois, and purported to focus his practice on helping clients with financial problems save their homes from foreclosure, either through the filing of bankruptcy or through loan modifications with lenders.

b. A debtor in a bankruptcy case was required to file, under penalty of perjury, a bankruptcy petition, supporting schedules, and a statement of financial affairs, disclosing, among other information, the debtor's income, debts, property, and any payments the debtor made related to debt counseling or bankruptcy within one year prior to filing the bankruptcy case.

c. The filing of a bankruptcy petition with the United States Bankruptcy Court automatically stayed collection activity by creditors, including a foreclosure sale of a residence.

d. Chapter 7 of the United States Bankruptcy Code (Title 11, United States Code) provided debtors with an opportunity to obtain a fresh financial start through the elimination of their debts by paying the debtor's creditors a pro rata share of the debtor's property.

e. Chapter 13 of the United States Bankruptcy Code (Title 11, United States Code) provided that individual debtors with regular income could petition the United States Bankruptcy Court under Chapter 13 of the Bankruptcy Code to reorganize and repay their debts under a plan of scheduled repayment approved by the Court ("Chapter 13 Plan"). Upon the filing of a Chapter 13 bankruptcy petition, a Chapter 13 Trustee was appointed to administer the bankruptcy case until the Chapter 13 Plan was confirmed or the bankruptcy dismissed.

f. If a Chapter 13 Plan was confirmed by the Court, payments made pursuant to the plan were required to be paid on a regular basis to the Chapter 13 Trustee, who was responsible for distributing funds to the debtor's creditors according to the terms of the Chapter 13 Plan.

g. A debtor's counsel was required to disclose money received from a debtor within one year of the filing of a bankruptcy petition.

h. A debtor was required to complete a credit counseling course within 180 days before the filing of a bankruptcy case, and was required to certify compliance with the credit counseling requirement along with the filing of a bankruptcy petition.

i. Failure to make Chapter 13 Plan payments was a ground on which a

Chapter 13 bankruptcy petition could be dismissed.

2. Beginning no later than in or about February 2007 and continuing until at least March 2010, in the Northern District of Illinois, Eastern Division, and elsewhere,

PHILIP A. IGOE

defendant herein, together with others known and unknown to the Grand Jury, devised and intended to devise, and participated in a scheme to defraud and to obtain money and property from individuals in financial difficulty and facing a foreclosure sale of their residence 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 defendant PHILIP A. IGOE solicited individuals in financial difficulty and facing a foreclosure sale of their residence (“clients”), either by sending clients letters through the United States mail, which letters offered clients assistance in stopping the foreclosure sale of their residence, or through advertisements of his law firm in various publications, which similarly promoted defendant’s law firm as being able to provide assistance to individuals in financial difficulty who were facing foreclosure of their residence.

4. It was further part of the scheme that defendant PHILIP A. IGOE falsely represented to clients that defendant would be able to save clients’ homes from foreclosure by filing bankruptcy petitions.

5. It was further part of the scheme that defendant PHILIP A. IGOE filed bankruptcy petitions on behalf of clients, including Chapter 13 bankruptcy petitions, not for

the purpose of obtaining confirmation of a plan of reorganization, but for the purpose of invoking the automatic stay and halting the foreclosure and sale of properties that clients owned.

6. It was further part of the scheme that defendant PHILIP A. IGOE met with clients and falsely represented to them that he would contact their mortgage company or bank holding their mortgage and persuade it to accept mortgage payments despite the pending foreclosure sale of properties the clients owned.

7. It was further part of the scheme that defendant PHILIP A. IGOE collected funds from clients by falsely representing to the clients that he would use the funds to make payments for their mortgages or for their Chapter 13 Plan payments, defendant well knowing that he intended to use all or a substantial portion of these funds for his own benefit.

8. It was further part of the scheme that defendant PHILIP A. IGOE did not use the funds he collected from clients for mortgage or Chapter 13 Plan payments. Instead, defendant converted the client funds for his own personal and business expenses, thereby causing the clients' bankruptcy cases to be dismissed for failure to comply with the terms of the Chapter 13 Plan.

9. It was further part of the scheme that defendant PHILIP A. IGOE concealed from clients important events taking place during their bankruptcy cases that required their attendance, such as meetings of creditors or court hearings, or required documents to be filed, thereby causing the bankruptcy cases to be dismissed when the clients did not attend these events or produce the necessary documents.

10. It was further part of the scheme that, after clients' bankruptcy cases were dismissed, defendant PHILIP A. IGOE provided clients with false and fictitious reasons for the dismissal of their cases. Defendant then offered to and did file second bankruptcy cases in order to again invoke the automatic stay, and charged clients additional attorney's fees for these filings.

11. It was further part of the scheme that when defendant PHILIP A. IGOE filed subsequent bankruptcies for clients, he intentionally failed to disclose the amounts clients paid him for their mortgage payments or Chapter 13 Plan payments in the bankruptcy petitions, supporting schedules, or statements of financial affairs.

12. It was further part of the scheme that, in some instances, defendant PHILIP A. IGOE attempted to persuade clients to stop making Chapter 13 Plan payments so their case would be dismissed, thereby allowing defendant to file another Chapter 13 bankruptcy case for clients and charge clients additional fees.

13. It was further part of the scheme that, when clients complained about their funds not being used for mortgage payments or for Chapter 13 Plan payments, and threatened to inform law enforcement authorities or the Illinois Attorney Registration and Disciplinary Commission ("ARDC"), defendant PHILIP A. IGOE either made partial mortgage or Chapter 13 Plan payments on behalf of the client or would refund some portion of the funds that the client provided to defendant for mortgage payments or Chapter 13 Plan payments, both in an effort to induce the client not to notify law enforcement or the ARDC.

14. It was further part of the scheme that defendant PHILIP A. IGOE 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.

15. In or about March 2008, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, knowingly caused to be delivered by U.S. mail according to the direction thereon, an envelope addressed to Individual A at an address in Tinley Park, Illinois, said envelope containing a letter offering Individual A assistance in stopping the foreclosure sale of his residence;

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

COUNT TWO

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

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

2. At times material to this indictment:

a. Defendant STACY A. IGOE was an attorney licensed to practice law in the State of Illinois, and was employed at a firm called the Igoe Law Firm.

3. Beginning no later than in or about February 2007 and continuing until at least March 2010, in the Northern District of Illinois, Eastern Division, and elsewhere,

PHILIP A. IGOE and
STACY A. IGOE,

defendants herein, together with persons known and unknown to the Grand Jury, devised and participated in a scheme and artifice to defraud clients by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and attempting to do so, caused bankruptcy petitions to be filed with the U.S. Bankruptcy Court for the Northern District of Illinois.

4. The allegations in paragraphs 3 through 14 of Count One of this indictment are hereby realleged and incorporated as if fully set forth herein.

5. It was part of the scheme that, on or about May 9, 2008, defendant PHILIP A. IGOE filed a Chapter 7 bankruptcy petition for Individual A in the United States Bankruptcy Court for the Northern District of Illinois, case number 08-11748, even though Individual A

did not authorize defendant to file a Chapter 7 bankruptcy.

6. It was further part of the scheme that defendant PHILIP A. IGOE fraudulently induced Individual A to pay defendant at least \$17,500, which defendant falsely represented would be used to pay Individual A's mortgage or to modify Individual A's home mortgage loan. In fact, defendant did not use these funds for mortgage payments or to modify Individual A's home mortgage loan.

7. It was further part of the scheme that, after on or about June 30, 2008, when Individual A's bankruptcy petition was dismissed by the Bankruptcy Court for failure to file necessary documents, defendant PHILIP A. IGOE concealed the dismissal from Individual A, and defendant continued to tell Individual A that defendant was attempting to modify Individual A's home mortgage loan.

8. It was further part of the scheme that, after Individual A received an eviction notice at his home in December 2009 and complained to defendant PHILIP A. IGOE, defendant STACY A. IGOE filed a second Chapter 7 bankruptcy petition for Individual A, without Individual A's consent or authorization, to make it appear that defendant PHILIP A. IGOE had done work to justify the payment of at least \$17,500 from Individual A.

9. It was further part of the scheme that defendant PHILIP A. IGOE directed another individual to complete a credit counseling course in Individual A's name, so that defendant STACEY A. IGOE could file a bankruptcy petition on behalf of Individual A.

10. On or about January 7, 2010, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE and
STACY A. IGOE,

defendants herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Voluntary Petition for Chapter 7 bankruptcy, specifically case *In re Jeffrey L.*, #10-00421, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Sections 157(1) and 2.

COUNT THREE

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 9 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about February 29, 2008, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Petition for Chapter 13 bankruptcy, specifically case *In re Brelinda W.*, #08-04665, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(1).

COUNT FOUR

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 9 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about June 10, 2008, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Petition for Chapter 13 bankruptcy, specifically case *In re Rene N.*, #08-14852, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(1).

COUNT FIVE

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 9 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about December 12, 2008, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Petition for Chapter 13 bankruptcy, specifically case *In re Eva G.*, #08-33991, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(1).

COUNT SIX

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 9 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about April 16, 2009, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Petition for Chapter 13 bankruptcy, specifically case *In re Eva G.*, #09-13564, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(1).

COUNT SEVEN

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 through 9 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about August 3, 2009, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE,

defendant herein, for the purpose of executing the aforesaid scheme to defraud, and attempting to do so, caused to be filed a Petition for Chapter 13 bankruptcy, specifically case *In re Andrzej C.*, #09-28346, in the United States Bankruptcy Court for the Northern District of Illinois;

In violation of Title 18, United States Code, Section 157(1).

COUNT EIGHT

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1, 2 and 4 of Count Two of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. At times material to this indictment:

a. On January 7, 2010, defendant STACY A. IGOE filed a Chapter 7 bankruptcy petition in the United States Bankruptcy Court for the Northern District of Illinois, purportedly on behalf of Individual A, initiating *In re Jeffrey L.*, #10-00421.

b. On or about February 10, 2010, a court hearing was held in *In re Jeffery L.*, #10-00421, before the bankruptcy judge assigned to the case, at which hearing the court, pursuant to Title 11, United States Code, Section 329, inquired about the compensation Individual A provided to defendant STACY A. IGOE and the services rendered in connection with that compensation.

3. On or about February 10, 2010, at Chicago, in the Northern District of Illinois, Eastern Division,

STACY A. IGOE,

defendant herein, while testifying under oath in court at a hearing in *In re Jeffrey L.*, #10-00421, knowingly made a false material declaration as follows:

The court: Did you have authorization to file this bankruptcy?

STACY A. IGOE: The '09 bankruptcy? The 2010 bankruptcy, yes, I did, Judge.

defendant STACY A. IGOE well knowing that she did not have authorization from

Individual A to file the January 7, 2010, Chapter 7 bankruptcy;

In violation of Title 18, United States Code, Section 1623.

COUNT NINE

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 and 2 of Count Eight of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. At times material to this indictment:

a. On or about February 16, 2010, a proceeding ancillary to a court of the United States, namely, a hearing pursuant to Federal Rule of Bankruptcy 2004, was held in *In re Jeffery L.*, #10-00421, at which hearing defendant STACEY A. IGOE testified under oath about the information contained in the bankruptcy petition and schedules she filed for Individual A in *In re Jeffrey L.*

3. On or about February 16, 2010, at Chicago, in the Northern District of Illinois, Eastern Division,

STACEY A. IGOE,

defendant herein, while testifying under oath at a Rule 2004 examination in *In re Jeffrey L.*, #10-00412, knowingly made a false material declaration as follows:

Q: He [the debtor] first came to see you about a bankruptcy case on January 5?

A: About this, yes, I don't think he had an appointment that day, but he came in.

Q: When did the debtor take his credit counseling?

A: He took it on the 5th.

defendant STACEY A. IGOE well knowing that Individual A did not come to see her about a bankruptcy case on January 5, 2010, and did not take credit counseling on that date;

In violation of Title 18, United States Code, Section 1623.

COUNT TEN

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations in paragraphs 1 and 2(a) of Count Eight of this indictment are hereby realleged and incorporated as if fully set forth herein.

2. On or about January 7, 2010, at Chicago, in the Northern District of Illinois, Eastern Division,

PHILIP A. IGOE and
STACEY A. IGOE,

defendants herein, with the intent to impede, obstruct, and influence the investigation and proper administration of a case filed under title 11, knowingly altered, concealed, covered-up, falsified, and made a false entry in a record and document, namely, defendants filed a document in *In re Jeffrey L.*, #10-00421, in the United States Bankruptcy Court for the Northern District of Illinois, titled Exhibit D Individual Debtor's Statement of Compliance with Credit Counseling Requirement, which form represented that the debtor had completed a credit counseling course within 180 days of filing *In re Jeffrey L.*, #10-00421, and that the debtor had electronically signed the form under penalty of perjury, when in truth and in fact, as defendants well knew, the debtor had not completed a credit counseling course within 180 days of filing *In re Jeffrey L.*, #10-00421, and had not authorized his electronic signature on the form;

In violation of Title 18, United States Code, Sections 1519 and 2.

FORFEITURE ALLEGATION

The SPECIAL AUGUST 2009-1 GRAND JURY further charges:

1. The allegations of Count One are hereby realleged and fully incorporated herein for the purpose of alleging forfeiture to the United States pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

2. As a result of the violations as alleged in Count One of the foregoing indictment,

PHILIP A. IGOE,

defendant herein, shall forfeit to the United States any and all right, title, and interest he may have in any property, real and personal, which constitutes and is derived from proceeds traceable to the offense charged in Count One.

3. The interests of defendant subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(c) as incorporated by Title 28, United States Code, Section 2461(c), include but are not limited to any and all right, title, and interest in any property, real and personal, which constitutes and is derived from proceeds traceable to the offense charged in Count One.

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 pursuant to the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c);

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

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY