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IN THE UNITED STATES DISTRICT COURT

FOR THE EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. ROBERT ROSE, Defendant.	No. 2:11CR00292 WBS VIOLATIONS: 15 U.S.C. § 1 - Bid Rigging (Count One), 18 U.S.C. § 1349 - Conspiracy to Commit Mail Fraud (Count Two)

I N F O R M A T I O N

COUNT ONE: [15 U.S.C. § 1 - Bid Rigging]

The United States Attorney charges:

ROBERT ROSE,

defendant herein, as follows:

1. Beginning in or about August 2009 and continuing until in or about October 2009, the defendant ROBERT ROSE and co-conspirators

entered into and engaged in a combination and conspiracy to suppress and restrain competition by rigging bids to obtain selected real estate offered at San Joaquin County, California public real estate auctions in the Eastern District of California, in unreasonable restraint of interstate trade and commerce, in violation of the Sherman Act, Title 15, United States Code, Section 1.

2. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the defendant and co-conspirators, the substantial terms of which were:

a. to suppress competition by agreeing to refrain from full competitive bidding against each other to obtain selected real estate offered at San Joaquin County, California public real estate auctions;

b. to make payoffs to one another in return for suppressing competition for the selected real estate offered at the public real estate auctions; and

c. to obtain title to real estate sold at noncompetitive, rigged prices.

3. For the purpose of forming and carrying out the charged combination and conspiracy, the defendant and co-conspirators did those things that they combined and conspired to do, including, among other things:

a. agreeing, during meetings, conversations, and communications, to rig bids to obtain selected real estate offered at San Joaquin County, California public real estate auctions;

b. designating, in various ways, which conspirator would bid for the selected real estate at the public real estate auctions for the group of conspirators;

c. bidding at noncompetitive amounts or refraining from bidding for the selected real estate at the public real estate auctions;

d. in many instances, holding private auctions, open only to members of the conspiracy, to rebid for the selected real estate obtained at the public real estate auctions;

e. awarding properties to the conspirators who submitted the highest bids at the private auctions; and

f. distributing the proceeds of the private auctions as payoffs, based upon a predetermined formula agreed upon by the members of the conspiracy.

4. Various corporations and individuals, not made defendants in this Information, participated as co-conspirators in the offense charged in this Information and performed acts and made statements in furtherance of it.

5. During the period covered by this Information, the business activities of the defendant and co-conspirators that are the subject of this Information were within the flow of, and substantially affected, interstate trade and commerce. For example, mortgage holders located in states other than California held mortgages, appointed trustees, and received proceeds from the public auctions that were subject to the bid-rigging agreement.

All in violation of Title 15, United States Code, Section 1.

COUNT TWO: [18 U.S.C. § 1349 - Conspiracy to Commit Mail Fraud]

The United States Attorney charges:

ROBERT ROSE,

defendant herein, as follows:

I. THE CONSPIRACY

1. Beginning in or about August 2009 and continuing until in or about October 2009, in the Eastern District of California and elsewhere the defendant ROBERT ROSE and co-conspirators did willfully and knowingly combine, conspire, confederate, and agree with each other to violate Title 18, United States Code, Section 1341, namely, to knowingly devise and intend to devise a material scheme or artifice to defraud financial institutions and others and to obtain money and property by materially false and fraudulent pretenses and, for the purpose of executing or attempting to execute such scheme or artifice, to knowingly use and cause to be used the United States Postal Service or any private or commercial interstate carrier, in violation of Title 18, United States Code, Section 1349.

2. It was an object of the conspiracy that the defendant and his co-conspirators suppress competition, thereby acquiring title to property at a lower price than would have resulted from a fully competitive auction, and by holding a second, private auction and dividing the profits of the scheme (the difference between the public and private auction prices) among themselves. In other words, the participants manipulated the sales price of properties,

causing false, artificially low sales prices to be reported and paid to victims of the scheme. It was a further object of the conspiracy that the participants obtain title to the fraudulently acquired properties, including recorded proof of title, in order to permit later sale of the fraudulently acquired properties and receive additional profits from those sales.

II. WAYS AND MEANS

The principal ways and means used to accomplish the conspiracy were as follows:

3. Each and every allegation contained in Paragraph 3 of Count One of this Information is here realleged as if fully set forth in this Count.

4. For the purposes of executing the scheme or artifice to defraud, the defendant and his co-conspirators did knowingly cause the Office of the Assessor/Recorder/County Clerk for the County of San Joaquin to send certain documents by the United States Postal Service or a private or commercial interstate carrier to the defendant's and co-conspirators' addresses in order to secure recorded proof of title to the fraudulently obtained properties.

III. OVERT ACTS

5. In addition to causing the use of the United States Postal Service or a private or commercial interstate carrier in furtherance of the conspiracy and to effect the illegal objects thereof, the defendant and co-conspirators, in the manner described in Count Two, Paragraphs 3 and 4 above, and for the purpose of carrying out the

charged conspiracy, on multiple occasions paid out and received substantial sums in payoffs in exchange for their agreement not to compete at the public auctions in the Eastern District of California.

All in violation of Title 18, United States Code, Section 1349.

Dated: July 11, 2011

Respectfully Submitted,

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