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 EASTERN DISTRICT OF CALIFORNIA
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12 IN THE UNITED STATES DISTRICT COURT

13 FOR THE EASTERN DISTRICT OF CALIFORNIA

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15 UNITED STATES OF AMERICA,)	No. 2 11 CR 00292 WBS
)	
16 Plaintiff,)	VIOLATIONS: 15 U.S.C. § 1 - Bid
)	Rigging (Count One), 18 U.S.C.
17 v.)	§ 1349 - Conspiracy to Commit
)	Mail Fraud (Count Two)
18 ROBERT ROSE,)	
)	
19 Defendant.)	
20)	

I N F O R M A T I O N

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

23 The United States Attorney charges:

24 ROBERT ROSE,

25 defendant herein, as follows:

- 26
- 27 1. Beginning in or about August 2009 and continuing until in
- 28 or about October 2009, the defendant ROBERT ROSE and co-conspirators

1 entered into and engaged in a combination and conspiracy to suppress
2 and restrain competition by rigging bids to obtain selected real
3 estate offered at San Joaquin County, California public real estate
4 auctions in the Eastern District of California, in unreasonable
5 restraint of interstate trade and commerce, in violation of the
6 Sherman Act, Title 15, United States Code, Section 1.
7

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

11 a. to suppress competition by agreeing to refrain from
12 full competitive bidding against each other to obtain selected real
13 estate offered at San Joaquin County, California public real estate
14 auctions;
15

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

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

21 3. For the purpose of forming and carrying out the charged
22 combination and conspiracy, the defendant and co-conspirators did
23 those things that they combined and conspired to do, including,
24 among other things:
25

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

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

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

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

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

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

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

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

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

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

3 The United States Attorney charges:

4 ROBERT ROSE,

5 defendant herein, as follows:

6
7 I. THE CONSPIRACY

8 1. Beginning in or about August 2009 and continuing until in
9 or about October 2009, in the Eastern District of California and
10 elsewhere the defendant ROBERT ROSE and co-conspirators did
11 willfully and knowingly combine, conspire, confederate, and agree
12 with each other to violate Title 18, United States Code, Section
13 1341, namely, to knowingly devise and intend to devise a material
14 scheme or artifice to defraud financial institutions and others and
15 to obtain money and property by materially false and fraudulent
16 pretenses and, for the purpose of executing or attempting to execute
17 such scheme or artifice, to knowingly use and cause to be used the
18 United States Postal Service or any private or commercial interstate
19 carrier, in violation of Title 18, United States Code, Section 1349.

20
21 2. It was an object of the conspiracy that the defendant and
22 his co-conspirators suppress competition, thereby acquiring title to
23 property at a lower price than would have resulted from a fully
24 competitive auction, and by holding a second, private auction and
25 dividing the profits of the scheme (the difference between the
26 public and private auction prices) among themselves. In other
27 words, the participants manipulated the sales price of properties,
28

1 causing false, artificially low sales prices to be reported and paid
2 to victims of the scheme. It was a further object of the conspiracy
3 that the participants obtain title to the fraudulently acquired
4 properties, including recorded proof of title, in order to permit
5 later sale of the fraudulently acquired properties and receive
6 additional profits from those sales.
7

8 II. WAYS AND MEANS

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

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

14 4. For the purposes of executing the scheme or artifice to
15 defraud, the defendant and his co-conspirators did knowingly cause
16 the Office of the Assessor/Recorder/County Clerk for the County of
17 San Joaquin to send certain documents by the United States Postal
18 Service or a private or commercial interstate carrier to the
19 defendant's and co-conspirators' addresses in order to secure
20 recorded proof of title to the fraudulently obtained properties.
21

22 III. OVERT ACTS

23 5. In addition to causing the use of the United States Postal
24 Service or a private or commercial interstate carrier in furtherance
25 of the conspiracy and to effect the illegal objects thereof, the
26 defendant and co-conspirators, in the manner described in Count Two,
27 Paragraphs 3 and 4 above, and for the purpose of carrying out the
28

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

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6
7 All in violation of Title 18, United States Code, Section 1349.

8
9 Dated: *July 11, 2011*

Respectfully Submitted,

Benjamin B. Wagner
United States Attorney

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