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RICHARD W. WIEKING
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NORTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

HSG

CR15-00245

) Criminal No.
)
UNITED STATES OF AMERICA) INFORMATION
)
) VIOLATIONS: 15 U.S.C. § 1 –
) Bid Rigging (Two Counts)
v.)
)
)
WAYNE LIPPMAN,)
)
Defendant.)
)

The United States of America, acting through its attorneys, charges:

WAYNE LIPPMAN,

the defendant herein, as follows:

BACKGROUND

1. At all times relevant to this Information, when California homeowners defaulted on their mortgages, mortgage holders could institute foreclosure proceedings and sell the properties through non-judicial public real estate foreclosure auctions (“public auctions”). These

1 public auctions were governed by California Civil Code, Section 2924, *et seq.* Typically, a
2 trustee was appointed to oversee the public auctions. These public auctions usually took place at
3 or near the courthouse of the county in which the properties were located. The auctioneer, acting
4 on behalf of the trustee, sold the property to the bidder offering the highest purchase price.
5 Proceeds from the sale were then used to pay the mortgage holders, other holders of debt secured
6 by the property, and, in some cases, the defaulting homeowner (collectively, “beneficiaries”).

7 COUNT ONE: 15 U.S.C. § 1 – Bid Rigging (Alameda County)

8 THE COMBINATION AND CONSPIRACY

9 2. Beginning as early as March 2009 and continuing until in or about January 2011,
10 the defendant, WAYNE LIPPMAN, and co-conspirators entered into and engaged in a
11 combination and conspiracy to suppress and restrain competition by rigging bids to obtain
12 selected properties offered at public auctions in Alameda County in the Northern District of
13 California, in unreasonable restraint of interstate trade and commerce, in violation of the
14 Sherman Act, Title 15, United States Code, Section 1.

15 3. The charged combination and conspiracy consisted of a continuing agreement,
16 understanding, and concert of action among the defendant and his co-conspirators to suppress
17 competition by agreeing to refrain from or stop bidding against each other to purchase selected
18 properties at public auctions in Alameda County at non-competitive prices.

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

22 a. agreeing not to compete to purchase selected properties at public auctions
23 in Alameda County;

24 b. designating which conspirator would win the selected properties at the
25 public auctions for the group of conspirators;

26 c. refraining from or stopping bidding for the selected properties at the
27 public auctions;

28 //

1 d. purchasing selected properties at public auctions at artificially suppressed
2 prices;

3 e. negotiating, making, and receiving payoffs for agreeing not to compete
4 with co-conspirators; and

5 f. holding second, private auctions, known as “rounds,” to determine the
6 payoff amounts and the conspirators who would be awarded the selected properties.

7 5. Various entities and individuals not made defendants in this Court participated as
8 co-conspirators in the offense charged and performed acts and made statements in furtherance
9 thereof.

10 TRADE AND COMMERCE

11 6. During the period covered by this Information, the business activities of the
12 defendant and his co-conspirators that are the subject of this Information were within the flow of,
13 and substantially affected, interstate trade and commerce. For example, beneficiaries located in
14 states other than California received proceeds from the public auctions that were subject to the
15 bid-rigging conspiracy.

16 JURISDICTION AND VENUE

17 7. The combination and conspiracy charged in this Information was carried out, in
18 part, in the Northern District of California, within the five years preceding the filing of this
19 Information.

20 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

21 COUNT TWO: 15 U.S.C. § 1 – Bid Rigging (Contra Costa County)

22 THE COMBINATION AND CONSPIRACY

23 8. Beginning as early as August 2008 and continuing until in or about January 2011,
24 the defendant, WAYNE LIPPMAN, and co-conspirators entered into and engaged in a
25 combination and conspiracy to suppress and restrain competition by rigging bids to obtain
26 selected properties offered at public auctions in Contra Costa County in the Northern District of
27 California, in unreasonable restraint of interstate trade and commerce, in violation of the
28 Sherman Act, Title 15, United States Code, Section 1.

1 9. The charged combination and conspiracy consisted of a continuing agreement,
2 understanding, and concert of action among the defendant and his co-conspirators to suppress
3 competition by agreeing to refrain from or stop bidding against each other to purchase selected
4 properties at public auctions in Contra Costa County at non-competitive prices.

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

8 a. agreeing not to compete to purchase selected properties at public auctions
9 in Contra Costa County;

10 b. designating which conspirator would win the selected properties at the
11 public auctions for the group of conspirators;

12 c. refraining from or stopping bidding for the selected properties at the
13 public auctions;

14 d. purchasing selected properties at public auctions at artificially suppressed
15 prices;

16 e. negotiating, making, and receiving payoffs for agreeing not to compete
17 with co-conspirators; and

18 f. holding second, private auctions, known as "rounds," to determine the
19 payoff amounts and the conspirators who would be awarded the selected properties.

20 11. Various entities and individuals not made defendants in this Court participated as
21 co-conspirators in the offense charged and performed acts and made statements in furtherance
22 thereof.

23 TRADE AND COMMERCE

24 12. During the period covered by this Information, the business activities of the
25 defendant and his co-conspirators that are the subject of this Information were within the flow of,
26 and substantially affected, interstate trade and commerce. For example, beneficiaries located in
27 states other than California received proceeds from the public auctions that were subject to the
28 bid-rigging conspiracy.

JURISDICTION AND VENUE

13. The combination and conspiracy charged in this Information was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.



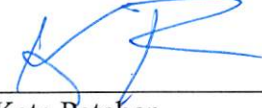
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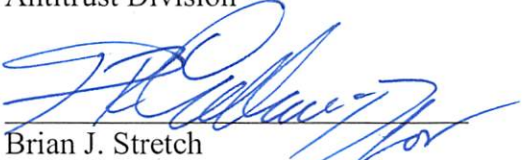
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by 28 U.S.C. § 515