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FILED
Jun 25, 2026
CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

IN THE UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA, Plaintiff, v. THOMAS EMIL EIDE, Defendant.	CASE NO. 2:26-cr-0109-TLN VIOLATIONS: 18 U.S.C. § 1349 – Conspiracy to Commit Bank Fraud and 28 U.S.C. § 2461(c) – Criminal Forfeiture

I N F O R M A T I O N

[18 U.S.C. § 1349 – Conspiracy to Commit Bank Fraud]

The United States Attorney charges:

THOMAS EMIL EIDE

defendant herein, as follows:

PARTIES, PERSONS, AND ENTITIES

At all times relevant to this Information:

1. Defendant THOMAS EMIL EIDE ("EIDE") was the owner of CB Surety LLC ("CB

Surety”), a North Carolina limited liability corporation that conducted business in El Dorado County, California. Beginning in 2017 and continuing until in or around December 2023, Eide resided in, and CB Surety conducted business in, South Lake Tahoe, California, in the Eastern District of California.

2. Co-conspirator 1 was the Director of Operations of CB Surety beginning in or around May 2018, and continuing until in or around December 2023.

3. Co-conspirator 2 managed and controlled Company 2, which did business through multiple corporate entities with a primary place of business in Las Vegas, Nevada.

4. Co-conspirator 3 was a merchant account broker who owned, controlled, and did business through Companies 3 and 4, which were incorporated in San Diego, California.

5. Each “LLC Deposit Bank” and “Acquiring Bank” was a “financial institution” within the meaning of 18 U.S.C. § 20(10) and insured by the Federal Deposit Insurance Corporation (“FDIC”).

BACKGROUND ON PAYMENT PROCESSING

6. Merchants used merchant bank accounts (“merchant accounts”) to accept payments made by consumers using credit and debit cards (“payment cards”). These merchant accounts were provided by acquiring banks, which had rules about what kinds of goods and services merchants were allowed to sell using their merchant accounts. To enforce these rules, and to prevent against the risk of loss, merchants were subject to underwriting and monitoring of, among other things:

a) the kinds of goods and services the merchant sold;

b) the percentage of the merchant’s sales reversed each month because of successful consumer-initiated disputes (known as the “chargeback rate”); and

c) whether the merchant was listed in a terminated merchant file (known as a “TMF”) for having previously violated an acquiring bank’s rules or had their merchant accounts closed because of high chargeback rates.

THE CONSPIRACY

7. From in or around March 2017, continuing through in or around December 2023, in the Eastern District of California, and elsewhere, THOMAS EMIL EIDE, defendant herein, did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with Co-Conspirators 1, 2, and 3, and others known and unknown, to commit

bank fraud: that is, to knowingly, and with the intent to defraud, execute and attempt to execute a scheme to defraud financial institutions as to a material matter, and to obtain moneys, funds, credits, assets, securities, and other property owned by, or under the custody or control of financial institutions, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344.

8. The object of the conspiracy was for EIDE and his co-conspirators to enrich themselves by using illegal and fraudulent means to help their clients gain and maintain access to merchant accounts.

MANNER AND MEANS OF THE CONSPIRACY

9. In furtherance of the conspiracy, and to accomplish its object, EIDE and his co-conspirators used the following manner and means:

10. EIDE and his co-conspirators recruited merchant clients that were unable to get and keep merchant accounts through legal means. Their clients included merchants who were committing fraud against consumers, including elderly victims; selling goods and services that violated state or federal laws; selling goods and services that violated the Acquiring Banks' rules; had unacceptably high chargeback rates; or were on a TMF.

11. In exchange for payment, EIDE and his co-conspirators engaged in fraudulent practices to help their merchant clients gain and maintain access to merchant accounts at the Acquiring Banks, including "transaction laundering" and chargeback-rate manipulation.

12. EIDE and his co-conspirators transferred, and caused to be transferred, funds from merchant accounts to their clients through deposit bank accounts ("deposit accounts") opened at the LLC Deposit Banks in the names of sham companies and straw owners.

Transaction Laundering

13. EIDE and his co-conspirators applied for and obtained access to merchant accounts at the Acquiring Banks in the names of sham companies and straw owners. Beginning in or around August 2019, EIDE and his co-conspirators began paying Company 2 to use sham companies Company 2 incorporated in the name of straw owners Company 2 had recruited (the "Sham Companies" and "Straw Owners"). EIDE and his co-conspirators also paid Company 2 to use deposit accounts Company 2 had

directed the Straw Owners to open in the names of the Sham Companies at the LLC Deposit Banks. Company 2 directed the Straw Owners not to tell the LLC Deposit Banks about Company 2 and to say that the Straw Owners operated the Sham Companies for their own benefit and did no third-party processing, which was false.

14. To support the applications for merchant accounts at the Acquiring Banks, EIDE and his co-conspirators: (a) created fake websites that were designed to pass underwriters' scrutiny by appearing to sell goods and services that complied with acquiring banks' rules and were not otherwise illegal goods; (b) created fake contracts that were designed to convince underwriters that the Sham Companies were engaged in the businesses they represented on their applications for merchant accounts; and (c) created email addresses and Voice over Internet Protocol phone numbers to communicate with underwriters and consumers on behalf of the Sham Companies and Straw Owners.

15. EIDE and his co-conspirators integrated their merchant clients' payment gateways with these merchant accounts, fraudulently using inaccurate payment descriptions to convince underwriters that the merchants were processing payments for the goods and services described on the fake websites, when they were not.

16. When the Acquiring Banks and their agents inquired about potential fraud, EIDE and his co-conspirators provided materially false information to the Acquiring Banks.

17. Once funds were transferred from the Sham Companies' merchant accounts at the Acquiring Banks into the Sham Companies' deposit accounts at the LLC Deposit banks, EIDE and his co-conspirators transferred proceeds, and caused proceeds to be transferred, to their merchant clients.

Chargeback-Rate Manipulation

18. EIDE and his co-conspirators helped their merchant clients keep merchant accounts at the Acquiring Banks open by fraudulently lowering their chargeback rates. They did this by collecting a deposit from a merchant client, and then returning most of that deposit, minus a fee, to the merchant using prepaid debit cards for small-dollar, sham transactions that were designed to look to the Acquiring Banks and their agents like payments for the merchant's goods or services. This artificially lowered the merchant clients' chargeback rate below the threshold required by the Acquiring Banks, thereby falsely and fraudulently helping their merchant clients keep their merchant accounts open.

19. As a result of transaction laundering and chargeback-rate manipulation, among other fraudulent practices, EIDE and his co-conspirators:

a) obtained money and property from banks that were insured by FDIC; and

b) helped their merchant clients obtain moneys, funds, credits, assets, securities, and other property owned by, or under the custody or control of, a financial institution, by materially false and fraudulent pretenses, representations, and promises, including those made to FDIC-insured banks.

20. At all relevant times, EIDE and his co-conspirators acted with intent to defraud the financial institutions.

21. EIDE and his co-conspirators caused at least $111 million in transactions to be processed for their merchant clients, including at least $3.35 million in transactions that resulted in refunds and chargebacks.

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

FORFEITURE ALLEGATION: [18 U.S.C. § 982(a)(2)(A) – Criminal Forfeiture]

1. The allegations contained in this Information are incorporated by reference for purposes of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(2)(A).

2. Upon conviction of the offense alleged in Count One of this Information, THOMAS EMIL EIDE shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(2)(A), any property constituting or derived from proceeds obtained, directly or indirectly, as a result of said violation. The property to be forfeited includes, but is not limited to, the following:

a) Up to $269,565.50 seized from First Reliance Bancshares, Inc., account number 5220000969, in the name of Lifestyle Development, LLC,

b) Up to $1,373.95 seized from Valley National Bank, account number 8843534202, in the name of by Lifestyle Development, LLC,

c) Up to $7,982.56 seized from First Reliance Bancshares, Inc., account number 5210000745, in the name of by Thomas Eide,

d) Up to $50,000.00 seized from Mainstreet Bank, account number 2010039009, in the name of by PRV International, LLC,

e) Up to $36,650.38 seized from Bank of America, N.A., account number

383019458700, in the name of by Vitakem Nutra,

f) Up to $37,886.31 seized from Southstate Bank, NA, account number 8010002012630, in the name of by Sarah Nick,

g) Up to $12,290.84 seized from Wells Fargo bank account 2904748601 in the name of Sarah Nick,

h) Up to $7,571.62 seized from Wells Fargo bank account 1010118176129 in the name of Sarah Nick,

i) Real property located at 2261 Cold Creek Trail, South Lake Tahoe, California 96150, APN 025-622-008-000,

j) Real property located at 1 Carlton Lane, Placerville, California 95667, APN 089-110-062-000, and

k) A personal forfeiture money judgment in the amount of $2,170,000, and

l) A sum of money equal to the amount of proceeds obtained directly or indirectly, as a result of such offenses, for which defendants are convicted.

3. If any of the property described above, as a result of any act or omission of EIDE:

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,

it is the intent of the United States, pursuant to 18 U.S.C. § 982(b)(1), 28 U.S.C. § 2461(c), and 31 U.S.C. § 5317(c)(1)(B), incorporating 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendants, up to the value of the property subject to forfeiture.

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

Dated: June 25, 2026

ERIC GRANT
United States Attorney

By: */s/ Veronica Alegría*
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By: */s/ Daniel Zytnick*
DANIEL E. ZYTNICK
Trial Attorney

United States v. Thomas Emil Eide
Penalties for Information

VIOLATION: 18 U.S.C. § 1349 – Conspiracy to Commit Bank Fraud

PENALTIES: A maximum of up to 30 years in prison; or
Fine of up to $1,000,000; or both fine and imprisonment
Supervised release of not more than five years

SPECIAL ASSESSMENT: $100 (mandatory on each count)

CRIMINAL FORFEITURE: 18 U.S.C. § 982(a)(2)(A)