

FILED

2017 MAY 30 PM 3:36

CLEAR U.S. DISTRICT COURT

San Jose, CA

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

February 2017 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

STEPHEN CHRISTOPHER RONCA,

Defendant.

CR No. 17CR00324

I N D I C T M E N T

[18 U.S.C. § 1343: Wire Fraud]

The Grand Jury charges:

COUNTS ONE THROUGH TWENTY-EIGHT

[18 U.S.C. § 1343]

A. INTRODUCTORY ALLEGATIONS

1. At all times relevant to this Indictment:

a. Rabobank N.A. ("Rabobank") was a bank headquartered in Roseville, California, with branches throughout California. Automatic Teller Machine ("ATM") transactions involving Rabobank accounts caused the transfer of financial information to Rabobank's computer servers in Roseville.

b. Heritage Oaks Bank was a bank headquartered in Paso Robles, California, with branches throughout California. Heritage

ACB

1 Oaks Bank outsourced its online banking functions to Q2 Holdings,  
2 Inc., which processed online funds transfers between accounts held at  
3 Heritage Oaks Bank through computer servers located in Texas.

4 c. The Chumash Casino Resort ("Chumash Casino") was  
5 located in Santa Ynez, California. ATM and point-of-sale  
6 transactions at Chumash Casino were processed through Global  
7 Payments, Inc., which processed such transactions through computer  
8 servers located in Georgia and Virginia.

9 d. K.K., a resident of San Luis Obispo, California, was  
10 the settlor and original trustee of a living trust (the "Trust").

11 e. Defendant STEPHEN CHRISTOPHER RONCA ("RONCA") was an  
12 attorney licensed to practice law in the State of California.  
13 Defendant RONCA provided legal services to K.K. as trustee of the  
14 Trust and prepared the Trust documents.

15 f. As the original trustee of the Trust, K.K. exercised  
16 control over an account for the Trust with account number ending in  
17 "953" at the Rabobank branch located at 2276 Broad Street in San Luis  
18 Obispo, California (the "Trust Account") until his death on or about  
19 March 13, 2012.

20 g. Defendant RONCA exercised control over an Interest on  
21 Lawyers Trust Account with account number ending in "123" (the  
22 "IOLTA") as well as a checking account with account number ending in  
23 "186" (the "Checking Account") at the Heritage Oaks Bank branch  
24 located at 1135 Santa Rosa Street in San Luis Obispo, California.

25 B. THE SCHEME TO DEFRAUD

26 2. Beginning at a time unknown and continuing through in or  
27 about February 2014, in San Luis Obispo County, within the Central  
28 District of California, and elsewhere, defendant RONCA, knowingly and

1 with intent to defraud, devised, participated in, and executed a  
2 scheme to defraud victim S.K. as to material matters, and to obtain  
3 money and property from S.K. by means of material false and  
4 fraudulent pretenses, representations, and promises, and the  
5 concealment of material facts.

6 C. THE MANNER AND MEANS OF THE SCHEME TO DEFRAUD

7 3. The fraudulent scheme operated in the following manner:

8 a. On or about July 5, 2000, K.K. executed the original  
9 Trust documents, which defendant RONCA prepared.

10 b. On or about May 8, 2008, K.K. executed an Amendment  
11 and Restatement of the Trust (the "May 2008 Amendment and  
12 Restatement"), which defendant RONCA also prepared. The May 2008  
13 Amendment and Restatement provided that, if S.K. survived K.K., she  
14 would become the beneficiary and successor trustee of the Trust.

15 c. In November 2011, K.K. sold a condominium located on  
16 Azalea Court in San Luis Obispo (the "Azalea Property") and moved  
17 into a condominium with S.K. that was located on Poinsettia Street in  
18 San Luis Obispo (the "Poinsettia Property"). The Poinsettia Property  
19 was part of the res of the Trust. After the sale of the Azalea  
20 Property, S.K. provided RONCA with cashier's checks totaling \$145,000  
21 for him to hold for her use in the IOLTA. RONCA, however, caused  
22 those funds to be transferred from the IOLTA to his Checking Account,  
23 from which he withdrew those funds and used them for his personal  
24 benefit.

25 d. In January 2013, without authorization, RONCA applied  
26 for and received a personal loan using the Poinsettia Property as  
27 collateral. As a result of this loan, approximately \$89,392.22 was  
28 deposited into RONCA's Bank of America checking account ending in

1 "753" ("BofA Account") via the transfer of financial information by  
 2 wire through New York and elsewhere. RONCA used the proceeds of the  
 3 loan for his personal benefit. In May 2013, RONCA sold the  
 4 Poinsettia Property and used the proceeds from that sale to pay off  
 5 the loan.

6 e. The remaining proceeds from the sale of the Poinsettia  
 7 Property were deposited into the Trust Account. By February 2014,  
 8 RONCA had drained the Trust Account by making ATM withdrawals and  
 9 point-of-sale purchases from casinos located in California and  
 10 Nevada, by writing and depositing checks made out to himself, and by  
 11 cashing checks made out to "Cash."

12 D. THE EXECUTION OF THE FRAUDULENT SCHEME

13 4. On or about the following dates, defendant RONCA, for the  
 14 purpose of executing the above-described scheme to defraud,  
 15 transferred money from the IOLTA to the Checking Account, which  
 16 transmitted or caused the transmission of financial information by  
 17 means of wire communication in interstate and foreign commerce from  
 18 California to Texas, and elsewhere:

| COUNT | DATE      | AMOUNT  |
|-------|-----------|---------|
| ONE   | 5/30/2012 | \$1,500 |
| TWO   | 6/4/2012  | \$1,000 |
| THREE | 6/5/2012  | \$2,000 |
| FOUR  | 6/12/2012 | \$500   |

19  
 20  
 21  
 22  
 23  
 24  
 25 5. On or about the following dates, defendant RONCA, for the  
 26 purpose of executing the above-described scheme to defraud, caused  
 27 money to be transferred from Comerica Bank to RONCA's BofA Account,  
 28 which transmitted or caused the transmission of financial information

1 by means of wire communication in interstate and foreign commerce to  
 2 New York, and elsewhere:

| COUNT | DATE    | AMOUNT      |
|-------|---------|-------------|
| FIVE  | 1/29/13 | \$89,392.22 |

3  
 4  
 5  
 6 6. On or about the following dates, defendant RONCA, for the  
 7 purpose of executing the above-described scheme to defraud, withdrew  
 8 money from the Trust Account at ATMs, which transmitted or caused the  
 9 transmission of financial information by means of wire communication  
 10 in interstate and foreign commerce at the locations specified below  
 11 to California, and elsewhere:

| COUNT  | DATE     | AMOUNT   | LOCATION OF ATM          |
|--------|----------|----------|--------------------------|
| SIX    | 8/7/13   | \$503    | Las Vegas, Nevada        |
| SEVEN  | 8/18/13  | \$505.99 | South Lake Tahoe, Nevada |
| EIGHT  | 9/12/13  | \$505.99 | South Lake Tahoe, Nevada |
| NINE   | 9/16/13  | \$505.99 | South Lake Tahoe, Nevada |
| TEN    | 10/24/13 | \$505.99 | South Lake Tahoe, Nevada |
| ELEVEN | 12/31/13 | \$505.99 | South Lake Tahoe, Nevada |

12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20 7. On or about the following dates, defendant RONCA, for the  
 21 purpose of executing the above-described scheme to defraud, withdrew  
 22 money from the Trust Account at ATMs, which transmitted or caused the  
 23 transmission of financial information by means of wire communication  
 24 in interstate and foreign commerce from Chumash Casino in Santa Ynez,  
 25 California to Georgia and Virginia, and elsewhere:

| COUNT  | DATE   | AMOUNT   |
|--------|--------|----------|
| TWELVE | 5/3/13 | \$403.50 |

|          |          |          |
|----------|----------|----------|
| THIRTEEN | 10/14/13 | \$503.50 |
| FOURTEEN | 11/6/13  | \$503.50 |
| FIFTEEN  | 12/4/13  | \$503.50 |
| SIXTEEN  | 2/3/14   | \$503.50 |

8. On or about the following dates, defendant RONCA, for the purpose of executing the above-described scheme to defraud, caused money to be debited from the Trust Account by making point-of-sale transactions, which transmitted or caused the transmission of financial information by means of wire communication in interstate and foreign commerce from South Lake Tahoe, Nevada, to California, and elsewhere:

| COUNT      | DATE     | AMOUNT   |
|------------|----------|----------|
| SEVENTEEN  | 9/15/13  | \$1,065  |
| EIGHTEEN   | 9/15/13  | \$1,065  |
| NINETEEN   | 9/17/13  | \$1,065  |
| TWENTY     | 10/27/13 | \$516.95 |
| TWENTY-ONE | 10/27/13 | \$2,105  |

9. On or about the following dates, defendant RONCA, for the purpose of executing the above-described scheme to defraud, caused money to be debited from the Trust Account by making point-of-sale transactions, which transmitted or caused the transmission of financial information by means of wire communication in interstate and foreign commerce from Chumash Casino in Santa Ynez, California to Georgia and Virginia, and elsewhere:

//

//

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

| COUNT        | DATE     | AMOUNT     |
|--------------|----------|------------|
| TWENTY-TWO   | 5/6/13   | \$619.65   |
| TWENTY-THREE | 11/20/13 | \$1,080.50 |
| TWENTY-FOUR  | 1/6/14   | \$648.30   |
| TWENTY-FIVE  | 1/21/14  | \$972.45   |
| TWENTY-SIX   | 1/29/14  | \$972.45   |
| TWENTY-SEVEN | 2/4/14   | \$540.25   |
| TWENTY-EIGHT | 2/20/14  | \$540.25   |

A TRUE BILL

151

---

Foreperson

SANDRA R. BROWN  
Acting United States Attorney

LAWRENCE S. MIDDLETON  
Assistant United States Attorney  
Chief, Criminal Division



LIZABETH A. RHODES  
Assistant United States Attorney  
Chief, General Crimes Section

ROBYN K. BACON  
Assistant United States Attorney  
Deputy Chief, General Crimes  
Section

GEORGE E. PENCE  
Assistant United States Attorney  
General Crimes Section