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CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

OAKLAND DIVISION

UNITED STATES OF AMERICA v. WAYNE LIPPMAN, Defendant.	Criminal No. CR15-00245 **INFORMATION** VIOLATIONS: 15 U.S.C. § 1 – Bid Rigging (Two Counts)

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

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

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

THE COMBINATION AND CONSPIRACY

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

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

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

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

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

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

//

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

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

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

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

TRADE AND COMMERCE

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

JURISDICTION AND VENUE

7. 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.

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

THE COMBINATION AND CONSPIRACY

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

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

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

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

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

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

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

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

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

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

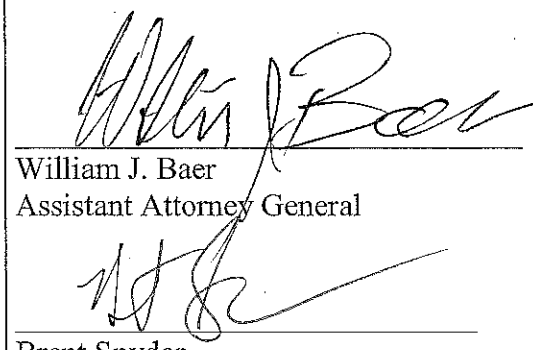
TRADE AND COMMERCE

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

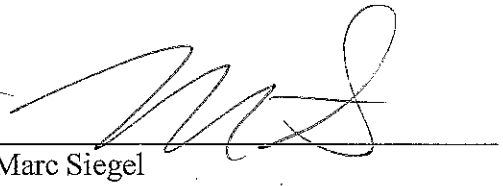
JURISDICTION AND VENUE

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.



William J. Baer
Assistant Attorney General



Marc Siegel
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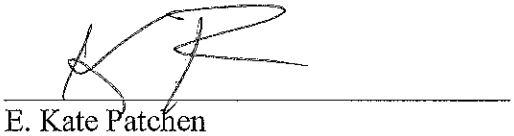

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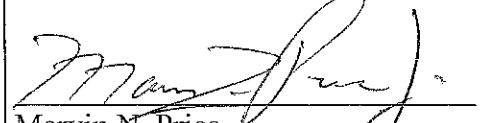

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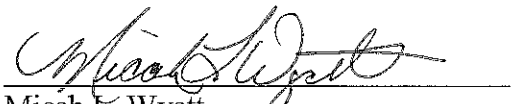

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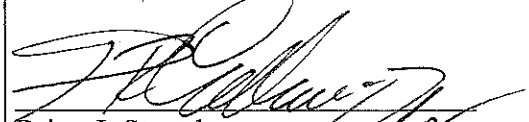

Brian J. Stretch
Attorney for the United States
Acting Under Authority Conferred
by 28 U.S.C. § 515