

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

FILED
JUN -5 P 1:60

UNITED STATES OF AMERICA,

v.

CR 14 306

LUKE D. BRUGNARA

VC

DEFENDANT(S).

INDICTMENT

VIOLATIONS:

Title 18, United States Code, Section 1341 - Mail Fraud;
Title 18, United States Code, Sections 982(a)(2), 982(a)(3)(E) and
Title 28, United States Code, Section 2461(c) - Forfeiture Allegation

CR 14-306 VC

A true bill.

Nancy J. Peterson
Foreman

Filed in open court this 5th day of

June 2014.

[Signature]
Clerk

Bail, \$ no process
[Signature]

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: INFORMATION INDICTMENT

Matter Sealed: Juvenile Other than Juvenile
 Pre-Indictment Plea Superseding Defendant Added
 Indictment Charges/Counts Added
 Information

Name of District Court, and/or Judge/Magistrate Location (City)
 UNITED STATES DISTRICT COURT Northern California (SF)
 DISTRICT OF Divisional Office

Name and Office of Person Furnishing Information on THIS FORM Melinda Haag
 U.S. Atty Other U.S. Agency
 Phone No. _____
 Name of Asst. U.S. Attorney (if assigned) Doug Sprague

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
 Federal Bureau of Investigation

- person is awaiting trial in another Federal or State Court (give name of court)
- this person/proceeding transferred from another district per (circle one) FRCrP 20, 21 or 40. Show District
- this is a re prosecution of charges previously dismissed which were dismissed on motion of:
 U.S. Atty Defense
- this prosecution relates to a pending case involving this same defendant. (Notice of Related Case must still be filed with the Clerk.)
- prior proceedings or appearance(s) before U.S. Magistrate Judge regarding this defendant were recorded under

SHOW
DOCKET NO.

MAG. JUDGE
CASE NO.

3 14 70731 JSC

Place of offense San Francisco County

CASE NO. _____

USA vs.
 Defendant: Luke D. Brughara

Address:
CR 14 306
VC
 Interpreter Required Dialect: _____

Birth Date 10/18/1963 Male Alien
 Female (if applicable)

Social Security Number _____

DEFENDANT

Issue: Warrant Summons

Location Status:
 Arrest Date 5/28/2014 or Date Transferred to Federal Custody _____

- Currently in Federal Custody
- Currently in State Custody
- Writ Required
- Currently on bond
- Fugitive

Defense Counsel (if any): Brandon Leblanc / Elizabeth Falk

- FPD CJA RET'D
- Appointed on Target Letter

This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 1

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Count(s)
	18 USC Section 1341	Mail Fraud	
	Maximum penalties: 20 years prison; fine of		
	\$250,000; 3 years supervised release;		
	forfeiture; \$100 special assessment		

1 MELINDA HAAG (CABN 132612)
United States Attorney

FILED
2014 JUN -5 P 1:01
CLERK OF DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10 SAN FRANCISCO DIVISION

VC
306

11 UNITED STATES OF AMERICA,
12 Plaintiff,
13 v.
14 LUKE D. BRUGNARA,
15 Defendant.

) NO. CR 14 306
) VIOLATION: Title 18, United States Code, Section
) 1341—Mail Fraud; Title 18, United States Code,
) Sections 982(a)(2), 982(a)(3)(E) and Title 28, United
) States Code, Section 2461(c)—Forfeiture Allegation
)
) SAN FRANCISCO VENUE
)
)

17
18 INDICTMENT

19 The Grand Jury charges:

20 Introductory Allegations

- 21 1. Defendant, Luke D. BRUGNARA, was an individual who resided in San Francisco,
22 California.
23 2. Victim 1 was an individual who resided in the State of New York. Victim 1 was an art
24 dealer.

25 The Scheme to Defraud

- 26 3. From approximately February 2014 through approximately May 2014, BRUGNARA
27 devised and executed a material scheme to defraud Victim 1, and to obtain money and property from
28 Victim 1 by means of materially false and fraudulent pretenses, representations, and promises, and by

1 omitting and concealing material facts. BRUGNARA executed his scheme by, among other things,
2 agreeing to purchase, accepting delivery of, and maintaining possession of several pieces of art for
3 which he had agreed to pay a total of approximately \$11,000,000 based on the false representation that
4 he intended to and would pay for that art, and then refusing to pay for the art or to return it.

5 Manner and Means of the Scheme

6 4. In furtherance of his scheme to defraud and to obtain property, BRUGNARA made many
7 material misrepresentations and omitted and concealed many material facts, including but not limited to
8 the following:

- 9 a. BRUGNARA falsely stated he intended to and would pay for the art;
10 b. BRUGNARA omitted that he had almost no income, no assets, and no means to
11 pay for the art he had agreed to purchase, and he omitted that he had a substantially negative net worth;
12 c. BRUGNARA falsely stated he wanted to buy the art to place in a museum he was
13 building;
14 d. When the art was delivered to BRUGNARA's residence in the presence of Victim
15 1, BRUGNARA falsely told Victim 1 that he was not expecting Victim 1, that he was too busy to
16 inspect the art at that time, and that he would call Victim 1 later to arrange a time to inspect the art; and
17 e. After taking possession of the art and refusing to pay for it, BRUGNARA falsely
18 claimed Victim 1 had given the art to BRUGNARA as a gift.

19 5. In furtherance of his scheme, BRUGNARA refused to return any of the art, only some of
20 which eventually was seized by law enforcement.

21 **COUNT ONE:** (18 U.S.C. § 1341 – Mail Fraud)

22 6. Paragraphs 1 through 5 are realleged and reincorporated herein by reference.

23 7. On or about April 6-7, 2014, in the Northern District of California and elsewhere, the
24 defendant,

25 LUKE D. BRUGNARA,

26 for the purpose of executing his material scheme to defraud, and to obtain money and property by means
27 of materially false and fraudulent pretenses, representations, and promises, and by omission and
28 concealment of material facts, did knowingly cause crates containing art to be sent and delivered by

1 interstate carrier, in violation of Title 18, United States Code, Section 1341.

2 **FORFEITURE ALLEGATION:** (18 U.S.C. §§ 982(a)(2), 982(a)(3)(E), and 28 U.S.C. § 2461(c))

3 8. The allegations of this Indictment are realleged and fully incorporated herein for the
4 purpose of alleging forfeiture pursuant to the provisions of 18 U.S.C. §§ 982(a)(2), 982(a)(3)(E), and 28
5 U.S.C. § 2461(c).

6 9. Upon a conviction of the offense alleged in Count One, the defendant,
7
8 **LUKE D. BRUGNARA,**
9 shall forfeit to the United States all property constituting and derived from proceeds traceable to that
10 offense, including but not limited to a sum of money equal to the amount of proceeds obtained as a
11 result of the offense.

12 10. If any of said property, as a result of any act or omission of the defendant:
13 (a) cannot be located upon the exercise of due diligence;
14 (b) has been transferred to, sold to, or deposited with a third person;
15 (c) has been placed beyond the jurisdiction of the Court;
16 (d) has been substantially diminished in value; or
17 (e) has been commingled with other property which cannot be subdivided without difficulty;
18 any and all interest defendant has in other property shall be vested in the United States and forfeited to
19 the United States pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28,
20 United States Code, Section 2461(c) and Rule 32.2 of the Federal Rules of Criminal Procedure.

21 DATED: June 5, 2014

A TRUE BILL.

22 *Nancy J. Peterson*
23 FOREPERSON

24 MELINDA HAAG
25 United States Attorney

26 *J. Douglas Wilson*
27 **J. DOUGLAS WILSON**
28 Chief, Criminal Division

(Approved as to form: *WTH*)
AUSA Spague