

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

SEALED

UNITED STATES OF AMERICA

CASE NO. 8:16-cr-516-T-33TBM

v.

ROSS D. PICKARD

18 U.S.C. § 371

18 U.S.C. § 1014

INDICTMENT

The Grand Jury charges:

COUNT ONE

(Conspiracy to Commit Offense or to Defraud United States - 18 U.S.C. § 371)

A. Introduction

At times material to this Indictment:

1. The Federal Deposit Insurance Corporation ("FDIC") was an agency of the United States of America, established to protect depositors against substantial loss with the purpose of preventing bank collapses and instilling public confidence in the nation's banks.

2. JP Morgan Chase Bank, N.A. ("JP Morgan") was a financial institution, with offices located throughout the United States, including the State of Florida, and whose accounts and deposits were insured by the FDIC.

3. It was the practice of many lending institutions, including JP Morgan, to make loans secured by real property to borrowers. Such loans were often simply called mortgages or mortgage loans. In determining

whether or not to extend any such loan, it was also the practice of the lending institutions to rely upon the information contained in a borrower's mortgage-related documents, such as the Uniform Residential Loan Application, the United States Department of Housing and Urban Development Settlement Statement, and the mortgage itself.

4. A Uniform Residential Loan Application (or a "Fannie Mae Form 1003"), commonly referred to as a mortgage loan application, was generally utilized by lending institutions and other lenders in the mortgage loan approval process. The Fannie Mae Form 1003 was designed to be completed by the applicant borrower(s) with the lender's assistance and required the borrower to truthfully provide to the lender various types of material information, including employment information, monthly income, detailed financial information (including asset and liability information), and other specifics of the residential property transaction, such as the purchase price and whether the borrower would use the property as a primary residence, secondary residence, or an investment.

5. Near the end of the Fannie Mae Form 1003, in the Acknowledgment and Agreement section, the form included, in pertinent parts, the following or similar language:

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that:

- a. the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.;
- b. the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application;
- c. all statements made in this application are made for the purpose of obtaining a residential mortgage loan;
- d. the property will be occupied as indicated in this application; and
- e. the Lender and its agents, brokers, insurers, services, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan.

6. To complete and submit the Fannie Mae Form 1003 to secure a mortgage loan, the prospective borrower(s) were required to sign and date the Acknowledgment and Agreement section of the form.

7. A United States Department of Housing and Urban Development Settlement Statement (or a "HUD-1 Settlement Statement") was a form generally used in closings of the sales of residential properties in the United States. A HUD-1 Settlement Statement was used to identify and allocate the various receipts, disbursements, expenses, and payments associated with the sale of residential real estate between the buyer and the seller of the property. Each HUD-1 Settlement Statement included the following or similar warning at the bottom of the form:

It is a crime to knowingly make false statements to the United States on this or any similar form.

8. The HUD-1 Settlement Statement also frequently included the following or similar statement and certification by the prospective borrower and seller:

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

9. The Settlement Agent responsible for handling the closing of the sale of residential property was also required to sign the HUD-1 Settlement Statement attesting to the following or similar statement:

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

10. ROSS D. PICKARD lived at least for a time in Collier County, Florida, and worked as a mortgage loan officer at JP Morgan Chase, who signed and submitted Fannie Mae Form 1003 loan applications on behalf of buyers of residential real estate.

B. The Conspiratorial Agreement

11. Beginning in or around January 2006 and continuing thereafter up to and including in or around July 2007, in the Middle District of Florida and elsewhere,

ROSS D. PICKARD,

defendant herein, knowingly and willfully did combine, conspire, confederate and agree together with others, both known and unknown to the grand jury, to commit the following offenses against the United States:

to knowingly make false statements to financial institutions (FDIC-insured banks) for the purpose of influencing the actions of said financial institutions in connection with mortgage loans, in violation of Title 18, United States Code, Section 1014.

C. The Manner and Means of the Conspiracy

12. It was a part of the conspiracy that the defendant, with others, would and did submit, and would and did cause to be submitted loan applications for buyers of residential real estate with good credit scores to purchase, for investment purposes, residential real property in the Sarasota, Orlando, Bradenton and Clearwater, Florida areas, which purchases were always accomplished through financing obtained from JP Morgan Chase Bank.

13. It was further a part of the conspiracy that the defendant, with others, would and did employ and utilize false and fraudulent means and methods in order to obtain financing on behalf of purchasers of residential real estate from JP Morgan Chase Bank to purchase said property. For the purpose of obtaining a loan, or a loan of a certain amount, or a loan with certain terms, the defendant, with others would and did knowingly make, and cause to be made, false and fraudulent statements, pretenses, representations and promises, and would and did willfully conceal the truth, about the following material matters, among others:

- (a) the intended use of the property by the purchaser/borrower;
- (b) the income of the purchaser/borrower;
- (c) the assets of the purchaser/borrower; and

(d) the liabilities of the purchaser/borrower.

14. It was further a part of the conspiracy that the defendant, with others, would and did receive mortgage loan commissions disbursed by JP Morgan Chase Bank in accordance with the goals, purposes and objectives of the conspiratorial agreement, and for their personal use.

15. It was further a part of the conspiracy that the defendant, with others, would and did perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the goals, purposes and objectives of, and the acts done in furtherance of, said conspiracy.

D. The Overt Acts

16. In furtherance of the conspiracy and to accomplish the goals, purposes and objectives of the conspiracy, the defendant and other conspirators, known and unknown to the grand jury, committed and caused to be committed the following Overt Acts within the Middle District of Florida and elsewhere, which are described in substance below:

(a) On or about December 13, 2006, ROSS D. PICKARD in concert with others submitted and caused to be submitted a loan application to JP Morgan Chase containing a false statement regarding – among other things – the intended use of a property located at 7150 N. Tamiami Trail, Unit C-236, Sarasota, Florida.

(b) On or about January 3, 2007, ROSS D. PICKARD in concert with others submitted and caused to be submitted a loan application to JP Morgan Chase containing a false statement regarding – among other things – the intended use of a property located at 5550 PGA Boulevard Unit 5132 Orlando, Florida.

(c) On or about January 5, 2007, ROSS D. PICKARD in concert with others submitted and caused to be submitted a loan application to JP Morgan Chase containing a false statement regarding – among other things – the intended use of a property located at 5550 PGA Boulevard Unit 5111, Orlando, Florida.

(d) On or about January 7, 2007, ROSS D. PICKARD in concert with others submitted and caused to be submitted a loan application to JP Morgan Chase containing a false statement regarding – among other things – the intended use of a property located at 5556 46th Court West, Unit APV13-1304, Bradenton, Florida.

COUNT TWO
(Loan and Credit Application Fraud - 18 U.S.C. § 1014)

1. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as fully set forth herein.

2. On or about December 12, 2006, in the Middle District of Florida,

ROSS D. PICKARD,

defendant herein, with others, for the purpose of influencing the actions of JP Morgan Chase Bank, N.A, a financial institution the accounts and deposits of which were insured by the FDIC, upon an application, commitment, and loan in the amount of approximately \$588,000.00, applied for by Buyer A.D., to purchase a condo located at 7150 N. Tamiami Trail, Unit C-236, Sarasota, Florida 34243, did knowingly submit and cause to be submitted false statements, in that the defendant stated and represented, and caused to be stated and represented:

- (a) that the property purchased would be used by Buyer A.D. as her secondary residence;

whereas, in truth and fact as the defendant then and there well knew,

- (b) that Buyer A.D. was going to use the property for investment purposes, and not as a secondary residence.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT THREE
(Loan and Credit Application Fraud - 18 U.S.C. § 1014)

1. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as fully set forth herein.

2. On or about January 3, 2007, in the Middle District of Florida,
ROSS D. PICKARD,
defendant herein, with others, for the purpose of influencing the actions of JP Morgan Chase Bank, N.A, a financial institution the accounts and deposits of which were insured by the FDIC, upon an application, commitment, and loan in the amount of approximately \$297,083.00, applied for by Buyer S.D., to purchase a residential home property located at 5550 PGA Blvd, Unit 5132, Orlando, FL 32839, did knowingly submit and cause to be submitted false statements, in that the defendant stated and represented, and caused to be stated and represented:

(a) that the property purchased would be used as S.D.'s secondary residence; and

(b) that Buyer S.D. earned \$31,493 per month,

whereas, in truth and fact as the defendant then and there well knew,

(c) that Buyer S.D. was going to use the property for investment purposes, and not as a secondary residence; and

(d) that Buyer S.D. only earned \$14,200 in monthly income.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FOUR
(Loan and Credit Application Fraud - 18 U.S.C. § 1014)

1. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as fully set forth herein.

2. On or about January 5, 2007, in the Middle District of Florida,

ROSS D. PICKARD,

defendant herein, with others, for the purpose of influencing the actions of JP Morgan Chase Bank, N.A, a financial institution the accounts and deposits of which were insured by the FDIC, upon an application, commitment, and loan in the amount of approximately \$354,914.00, applied for by Buyer B.M., to purchase a condo located at 5500 PGA Boulevard, Unit 5111, Orlando, Florida 32839, did knowingly submit and cause to be submitted false statements, in that the defendant stated and represented, and caused to be stated and represented:

(a) that the property purchased would be used by Buyer B.M. as his secondary residence;

whereas, in truth and fact as the defendant then and there well knew,

(b) that Buyer B.M. was going to use the property for investment purposes, and not as a secondary residence.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FIVE
(Loan and Credit Application Fraud - 18 U.S.C. § 1014)

1. The Grand Jury re-alleges and incorporates by reference Part A of Count One of this Indictment as fully set forth herein.

2. On or about January 8, 2007, in the Middle District of Florida,
ROSS D. PICKARD,
defendant herein, with others, for the purpose of influencing the actions of JP Morgan Chase Bank, N.A, a financial institution the accounts and deposits of which were insured by the FDIC, upon an application, commitment, and loan in the amount of approximately \$1,000,000, applied for by Buyer B.M., to purchase a condo located at 5556 46th Court West, Unit APV13-1304, Bradenton, Florida 34210, did knowingly submit and cause to be submitted false statements, in that the defendant stated and represented, and caused to be stated and represented:

- (a) that the property purchased would be used by Buyer B.M. as his secondary residence;

whereas, in truth and fact as the defendant then and there well knew,

- (b) that Buyer B.M. was going to use the property for investment purposes, and not as a secondary residence.

All in violation of Title 18, United States Code, Sections 1014 and 2.

FORFEITURES

1. The allegations contained in Counts One through Five of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 982(a)(2).

2. From his engagement in the violations alleged in Counts One through Five of this Indictment, punishable by imprisonment for more than one year, the defendant,

ROSS D. PICKARD,

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(2), all of his interest in any property constituting or derived from proceeds obtained directly or indirectly as a result of the said violations.

3. The property to be forfeited includes, but is not limited to, a money judgment in an amount to be determined by the Court.

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

- 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,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by 18, United States Code, Section 982(b)(1).

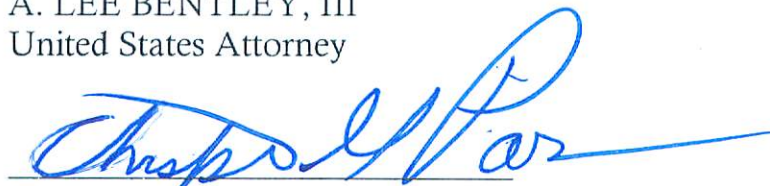
A TRUE BILL,



Foreperson

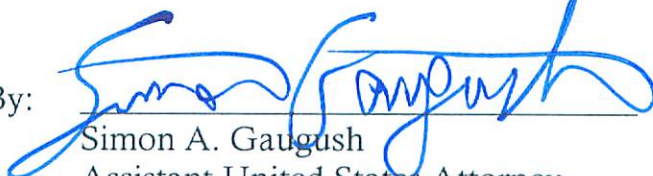
A. LEE BENTLEY, III
United States Attorney

By:



Christopher Poor
Special Assistant United States Attorney

By:



Simon A. Gaugh
Assistant United States Attorney
Chief, Economic Crimes Section

FORM OBD-34
APR 1991

No.

UNITED STATES DISTRICT COURT
Middle District of Florida
Tampa Division

THE UNITED STATES OF AMERICA

vs.

ROSS D. PICKARD

INDICTMENT

Violations:

18 U.S.C. § 371
18 U.S.C. § 1014

A true bill,



Foreperson

Filed in open court this 6th day
of December, 2016.

Clerk

Bail \$