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U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

BY \_\_\_\_\_

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

**CR10-1023**

UNITED STATES OF AMERICA, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
DARWIN BOWMAN, )  
aka "Darwin Bowman, Jr.," )  
 )  
Defendant. )  
 )  
 )  
 )  
 )  
 )  
 )

No. CR 10- )  
 )  
I N D I C T M E N T )  
 )  
[18 U.S.C. § 157(1): )  
Bankruptcy Fraud; 18 U.S.C. )  
§ 2: Aiding and Abetting and )  
Causing an Act to be Done]

The Grand Jury charges:

COUNTS ONE AND TWO

[18 U.S.C. §§ 157(1), 2]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. Defendant DARWIN BOWMAN, also known as "Darwin Bowman, Jr." ("BOWMAN"), was a resident of Los Angeles County, within the Central District of California.

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EJD:ejd

1           2.    A bankruptcy case typically commenced with the filing  
2 of a petition for bankruptcy. A person seeking relief from  
3 debts, referred to as the "debtor," could file a "voluntary  
4 petition" for bankruptcy.

5           3.    The filing of a bankruptcy petition would trigger what  
6 was known as an "automatic stay" against the debtor's creditors,  
7 who would be immediately forbidden from taking any action on  
8 claims they might have against the debtor or any property owned  
9 by the debtor when the bankruptcy case was commenced, unless  
10 permission of the bankruptcy court was first obtained.

11    B.    THE SCHEME TO DEFRAUD

12           4.    Beginning in or about May 2008, and continuing to at  
13 least July 28, 2010, in Los Angeles County, within the Central  
14 District of California, and elsewhere, defendant BOWMAN, together  
15 with others known and unknown to the Grand Jury, knowingly and  
16 with intent to defraud, devised, participated in, and executed a  
17 scheme to defraud lenders who were attempting to foreclose on  
18 real properties through trustee sales, by means of filing  
19 fraudulent petitions for bankruptcy protection under Title 11 of  
20 the United States Code.

21           5.    The purpose of the fraudulent scheme was to hinder,  
22 delay, and obstruct creditors' lawful foreclosure and eviction  
23 actions against clients who had defaulted on their mortgages.

24           6.    The fraudulent scheme operated, in substance, as  
25 follows:

26           a.    Defendant BOWMAN and a co-schemer ("Co-schemer 1")  
27 distributed and caused to be distributed advertisements, and  
28 contacted and caused others to contact property owners in person,

1 to solicit clients for their foreclosure-delay services.

2           b. Through these advertisements and direct  
3 solicitations, salespersons working with defendant BOWMAN and Co-  
4 schemer 1 told potential clients whose properties were being  
5 foreclosed upon ("the subject properties") that, in exchange for  
6 a monthly fee, the salespersons' company would indefinitely  
7 postpone the foreclosure. The clients were not told that the  
8 postponement would be achieved through the filing of serial false  
9 bankruptcies by defendant BOWMAN and his co-schemers.

10           c. After a client had signed up and paid the fee, the  
11 salespersons, operating at defendant BOWMAN and Co-schemer 1's  
12 direction, would obtain a client's signature on a deed  
13 transferring a fractional share of a subject property to a  
14 fictitious person, which deed the salespersons would then record.

15           d. Defendant BOWMAN and Co-schemer 1 would direct  
16 another co-schemer ("Co-schemer 2") to file a voluntary  
17 bankruptcy petition in the name of this same fictitious person  
18 ("the false bankruptcy petition").

19           e. After the false bankruptcy petition was filed,  
20 defendant BOWMAN or a co-schemer would fax a copy of the recorded  
21 deed and the false bankruptcy petition, both of which listed the  
22 same fictitious person's name, to the client's lender or the  
23 lender's representative, thereby notifying the lender of the  
24 automatic stay in order to stop the foreclosure sale.

25           f. When a motion to dismiss or a motion for relief  
26 from stay in the fraudulently initiated bankruptcy case was filed  
27 and granted, and another foreclosure sale was scheduled,  
28 defendant BOWMAN and Co-schemer 1 would cause the client to sign

1 another deed transferring another fractional share of the subject  
2 property to a different fictitious person, file another false  
3 bankruptcy petition in that different fictitious person's name,  
4 and send both documents to the lender or the lender's  
5 representative to stop the next sale.

6 g. After a bankruptcy case was dismissed, defendant  
7 BOWMAN and his co-schemers would cause the deed transferring a  
8 fractional share of the subject property to the fictitious person  
9 in whose name the dismissed bankruptcy case had been filed to be  
10 reconveyed to the client.

11 h. Defendant BOWMAN and his co-schemers repeated this  
12 course of action, thereby repeatedly delaying the sale of the  
13 subject properties, for as long as the client paid the monthly  
14 fee.

15 7. As part of the above-described fraudulent scheme, from  
16 approximately May 1, 2008, through approximately July 28, 2010,  
17 defendant BOWMAN and his co-schemers delayed the foreclosure  
18 sales of approximately 475 subject properties for between one  
19 month and two years, which caused lenders to lose interest  
20 payments on mortgage loans totaling more than \$200 million that  
21 would otherwise have been partially or entirely satisfied through  
22 the foreclosure sales. During that same period, defendant BOWMAN  
23 and Co-schemer 1 collected approximately \$396,000 from clients in  
24 monthly fees paid for illegal foreclosure-delay services.

C. EXECUTIONS OF THE SCHEME TO DEFRAUD:

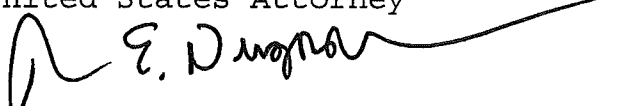
8. On or about the dates set forth below, for the purpose of executing and attempting to execute the above-described scheme, defendant BOWMAN filed and caused to be filed false bankruptcy petitions in the following proceedings under Title 11, of the United States Code, with intent to defraud lenders:

<u>COUNT</u>	<u>DATE</u>	<u>DOCUMENT</u>
ONE	5/6/2009	Voluntary Bankruptcy Petition in the name of Marcus Lamont Collins, a fictitious person, bearing case number 6:09-19443 (filed in the U.S. Bankruptcy Court, Central District of California).
TWO	11/17/2009	Voluntary Bankruptcy Petition in the name of Kenneth Jason Whitaker, a fictitious person, bearing case number 6:09-37771 (filed in the U.S. Bankruptcy Court, Central District of California).

A TRUE BILL

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Foreperson

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