

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,)
)
 Plaintiff,)
)
 v.)
)
 ROSEANN WAGNER,)
)
 Defendant.)

INFORMATION CR 09-296 PAM
(18 U.S.C. § 1343)
(26 U.S.C. § 7203)

THE UNITED STATES ATTORNEY CHARGES THAT:

COUNT 1
(Wire Fraud)
18 U.S.C. § 1343

1. From in or about January 2007 to in or about December 2007, in the State and District of Minnesota, the defendant,

ROSEANN WAGNER,

devised and intended to devise a scheme to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and did knowingly transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain signals and sounds in furtherance of the scheme, in violation of Title 18, United States Code, Section 1343.

2. At all times relevant to the offenses charged in this information, defendant was a licensed insurance agent in the State of Minnesota. Defendant owned and operated Tri-Star Title, Inc. ("Tri-Star"), a title insurance agency regulated by the laws of the State of Minnesota.

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U.S. DISTRICT COURT MPLS

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3. Tri-Star Title acted as an insurance agent for Stewart Title Guaranty Company ("Stewart Title"), a title insurance underwriting company located in Houston, Texas. Tri-Star Title also acted as a closing agent in connection with real estate mortgage financing transactions.

4. In a mortgage financing transaction, title insurance protects the lender's financial interest in the real property against loss due to title defects, liens or other encumbrances on the title. In a typical mortgage transaction, the person or entity that obtains the mortgage is required to pay the title insurance premiums as part of closing costs. It is also typical for the costs of the title insurance premiums, title search, and recording fees to be included in the amount financed by the lender. Funds are disbursed at closing to the closing agent, who is responsible for making the payments for title insurance premiums, title search, and recording fees.

5. From in or about January 2007 through at least December 2007, in connection with hundreds of residential real estate mortgage financing transactions, defendant accepted a total of more than \$470,000 at the closing of the mortgage transactions which she knew were to be used to pay title insurance premiums, title search costs, and recording fees, but which she knowingly and intentionally misappropriated for her own personal use. Defendant accepted these funds based on her representation that she would use

them to pay the title insurance premiums, title search costs, and recording fees, and she misappropriated the funds for her personal use knowing that she was not entitled to do so.

6. In misappropriating this money defendant defrauded the mortgage lender, the borrower, and the title insurance underwriter, Stewart Title. Stewart Title has absorbed these losses, however, because Tri-Star Title was acting as Stewart Title's agent in connection with the mortgage financing transactions. Stewart Title has now paid all of the title insurance premiums, title search costs, and recording fees, which went unpaid because of defendant's fraud.

7. In order to effect the fraud scheme, the defendant did knowingly transmit and cause to be transmitted in interstate commerce, by means of wire communications, certain signals and sounds, all in violation of Title 18, United States Code, Sections 2 and 1343. For example, on October 15, 2007, in the State and District of Minnesota, the defendant caused a wire transfer of \$30,000 from Tri-Star's Escrow Account at Venture Bank (Account # XX57) to defendant's personal bank account at US Bank (Account # XXXX XXXX 6198) knowing that the funds were intended to be used to pay title insurance premiums but which defendant then misappropriated for her own personal use. The defendant acknowledges the financial institution into which the funds were deposited engaged in interstate commerce.

Count 2

(Failure to File Tax Return - 2007)
18 U.S.C. § 7203

8. During the calendar year 2007, the defendant,

ROSEANN WAGNER,

who was a resident of the State of Minnesota, had and received gross income of in excess of \$270,000. By reason of such gross income, she was required by law, following the close of the calendar year 2007 and on or before April 15, 2008, to make a United States Individual Income Tax Return to the Internal Revenue Service, or with other proper officers of the United States, stating specifically the items of her gross income and any deductions and credits to which she was entitled. Well knowing and believing all of the foregoing, she did willfully fail, on or about April 15, 2008, in the State and District of Minnesota and elsewhere, to make an income tax return.

In violation of Title 26, United States Code, Section 7203.

Forfeiture Allegations

Count 1 of this Information is hereby realleged and incorporated as if fully set forth herein by reference, for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

As the result of the offense alleged in Count 1 of this Information, the defendant shall forfeit to the United States

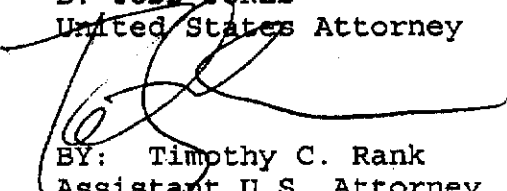
pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the violations of Title 18, United States Code, Section 1343.

If any of the above-described forfeitable property is unavailable for forfeiture, the United States intends to seek the forfeiture of substitute property as provided for in Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All in violation of Title 18, United States Code, Sections 981(a)(1)(C) and 1343, and Title 28, United States Code, Section 2461(c).

Dated:

B. TODD JONES
United States Attorney



BY: Timothy C. Rank
Assistant U.S. Attorney
Attorney ID No. 245392