

**IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
SOUTHERN DIVISION**

UNITED STATES OF AMERICA,	)	No. 08-03134-01/06-CR-S-GAF
)	
Plaintiff,	)	<u>EACH OF COUNTS ONE THROUGH</u>
	)	<u>THREE</u>
)	
vs.	)	18 U.S.C. § 371
	)	NMT 5 Years and \$250,000
	)	Class D Felony
	)	Supervised Release: NMT 3 Years
CHARLES M. DAVIS	)	Mandatory Restitution
[DOB: 02/14/1974],)	
	)	<u>EACH OF EVEN-NUMBERED</u>
CHERYL JOAN KASSEBAUM	)	<u>COUNTS FOUR THROUGH</u>
[DOB: 06/06/1966],	)	<u>FIFTY, and FORTY-SEVEN,</u>
	)	<u>FIFTY-ONE, and FIFTY-THREE</u>
RANDALL LEE HALL	)	<u>THROUGH FIFTY-FIVE</u>
[DOB: 10/26/1949],)	
	)	18 U.S.C. §§ 1343 and 2
STEVEN RAY SPENCER	)	NMT 30 Years and \$1,000,000
[DOB: 03/10/1961],	)	Class B Felony
	)	Supervised Release NMT 5 Years
SCOTT ALLEN KASSEBAUM	)	Mandatory Restitution
[DOB: 07/29/1966], and)	
	)	<u>EACH OF ODD-NUMBERED</u>
SHANDA LYNN MOORE	)	<u>COUNTS FIVE THROUGH</u>
[DOB: 06/28/1964],	)	<u>FORTY-FIVE, and FORTY-</u>
	)	<u>NINE, and FIFTY-TWO</u>
)	
	)	18 U.S.C. §§ 1957 and 2
	)	NMT 10 Years and \$250,000 or Twice
	)	Amount of Criminally Derived Property
Defendants.	)	Class C Felony
	)	Supervised Release NMT 3 Years
	)	Mandatory Restitution
)	
	)	<u>EACH COUNT</u>
	)	\$100 Mandatory Special
	)	Assessment

INDICTMENT

THE GRAND JURY CHARGES:

COUNT ONE

1. From in or about, or before, January 2006 through in or about February 2007, in Christian and Greene Counties, in the Western District of Missouri, and elsewhere both in and outside the Western District of Missouri, Defendants, CHARLES M. DAVIS (also known as Chuck Davis), STEVEN RAY SPENCER and SHANDA LYNN MOORE, did voluntarily, intentionally and knowingly conspire with each other and with other persons to commit offenses against the United States including the offenses of executing a scheme to defraud lenders by causing home mortgage loan proceeds to be transmitted by wire from a place outside Missouri to a place inside Missouri in violation of 18 U.S.C. § 1343, and of then depositing a portion of those loan proceeds into an account at a financial institution and subsequently transferring a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower in violation of 18 U.S.C. § 1957.

2. The manner in which Defendants conspired to defraud the United States included the following:

a. The submission to lenders of home mortgage loan applications that contained material false statements and omissions of requested material facts.

b. The submission of these false loan applications knowing that, if a loan was extended to the borrower, (1) the loan would be secured by the home and (2) a portion of the loan proceeds would be returned to the borrower without the lender's knowledge or consent.

c. The deposit of a portion of the loan proceeds obtained from loans based on the

false applications into an account at a financial institution and subsequent transfer of a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

3. In furtherance and to effect the object of the conspiracy, Defendants knowingly committed and caused to be committed the following overt acts in Christian and Greene Counties, in the Western District of Missouri and elsewhere in and outside the Western District of Missouri:

a. Beginning in or before January 2006 and continuing through at least in or about February 2007, (1) prepared home mortgage loan applications that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, (2) submitted those applications to lenders at locations outside Missouri, and (3) verified as correct false income and employment information contained in those applications (including information for Steven Ray Spencer and another person known to the grand jury (Person “B”)).

b. Committed the acts alleged in Counts Four through Twenty-Nine of this indictment and in the scheme for those counts. Shanda Lynn Moore and others verified as correct false income and employment information contained in the false home mortgage loan applications (including information for Steven Ray Spencer and Person B).

c. Beginning in or before January 2006 and continuing through at least in or about February 2007 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, deposited a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender’s knowledge

or consent, subsequently transferred a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

All in violation of Title 18, United States Code, Sections 371 and 2.

COUNT TWO

1. From in or about, or before, March 2006 through in or about July 2006, in Christian and Greene Counties, in the Western District of Missouri, and elsewhere both in and outside the Western District of Missouri, Defendants, CHARLES M. DAVIS (also known as Chuck Davis), CHERYL JOAN KASSEBAUM, and SCOTT ALLEN KASSEBAUM, did voluntarily, intentionally and knowingly conspire with each other and with other persons to commit offenses against the United States including the offenses of executing a scheme to defraud lenders by causing home mortgage loan proceeds to be transmitted by wire from a place outside Missouri to a place inside Missouri in violation of 18 U.S.C. § 1343, and of then depositing a portion of those loan proceeds into an account at a financial institution and subsequently transferring a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower in violation of 18 U.S.C. § 1957.

2. The manner in which Defendants conspired to defraud the United States included the following:

a. The submission to lenders of home mortgage loan applications that contained material false statements and omissions of requested material facts.

b. The submission of these false loan applications knowing that, if a loan was extended to the borrower, (1) the loan would be secured by the home and (2) a portion of the loan proceeds would be returned to the borrower without the lender's knowledge or consent.

c. The deposit of a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and subsequent transfer of a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

3. In furtherance and to effect the object of the conspiracy, Defendants knowingly committed and caused to be committed the following overt acts in Christian and Greene Counties, in the Western District of Missouri and elsewhere in and outside the Western District of Missouri:

a. Beginning in or before March 2006 and continuing through at least in or about July 2006, prepared home mortgage loan applications that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, and submitted those applications to lenders at locations outside Missouri.

b. Committed the acts alleged in Counts Thirty through Forty-Three of this indictment and in the scheme for those counts.

c. Beginning in or before March 2006 and continuing through at least in or about July 2006 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, deposited a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender's knowledge or consent, subsequently transferred a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

All in violation of Title 18, United States Code, Sections 371 and 2.

COUNT THREE

1. From in or about, or before, November 2005 through in or about October 2006, in Christian and Greene Counties, in the Western District of Missouri, and elsewhere both in and outside the Western District of Missouri, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, did voluntarily, intentionally and knowingly conspire with each other and with other persons to commit offenses against the United States including the offenses of executing a scheme to defraud lenders by causing home mortgage loan proceeds to be transmitted by wire from a place outside Missouri to a place inside Missouri in violation of 18 U.S.C. § 1343, and of then depositing a portion of those loan proceeds into an account at a financial institution and subsequently transferring a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower in violation of 18 U.S.C. § 1957.

2. The manner in which Defendants conspired to defraud the United States included the following:

a. The submission to lenders of home mortgage loan applications that contained material false statements and omissions of requested material facts.

b. The submission of these false loan applications knowing that, if a loan was extended to the borrower, (1) the loan would be secured by the home and (2) a portion of the loan proceeds would be returned to the borrower without the lender's knowledge or consent.

c. The deposit of a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and subsequent transfer of a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

3. In furtherance and to effect the object of the conspiracy, Defendants knowingly committed and caused to be committed the following overt acts in Christian and Greene Counties, in the Western District of Missouri and elsewhere in and outside the Western District of Missouri:

a. Beginning in or before November 2005 and continuing through at least in or about October 2006, (1) prepared home mortgage loan applications that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, (2) submitted those applications to lenders at locations outside Missouri, and (3) verified as correct false income and employment information contained in those applications (including information for a person known to the grand jury (Person "L")).

b. Committed the acts alleged in Counts Forty-Four through Fifty-Five of this indictment and in the scheme for those counts.

c. Beginning in or before November 2005 and continuing through at least in or about October 2006 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, deposited a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender's knowledge or consent, subsequently transferred a portion of the loan proceeds from that account to accounts at other financial institutions to or on behalf of the borrower.

All in violation of Title 18, United States Code, Sections 371 and 2.

COUNTS FOUR THROUGH TWENTY-NINE

The Scheme

From in or about January 2006 through in or about February 2007 in Christian and Greene Counties, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS (also known as Chuck Davis) and STEVEN RAY SPENCER, and others devised a scheme to defraud lenders of money and property and for obtaining money and property from lenders by means of false and fraudulent pretenses, representations and promises. The scheme was as follows.

1. Beginning in or before January 2006 and continuing through in or about February 2007 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendants and others solicited persons to purchase homes with the understanding that Defendants would return a significant portion of the purchase price of the home to the purchaser following the purchase of the home and outside the closing of the home purchase.

2. Defendant Davis then prepared and caused to be prepared home mortgage loan applications on behalf of the prospective purchasers that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, and submitted and caused to be submitted those applications to lenders at locations outside Missouri. The false statements and omissions included the prospective purchaser's income, place of employment, liabilities, and intention to reside in the home to be purchased. Though Defendants knew that if a loan was extended to a prospective home purchaser the loan would be secured by the home, Defendant Davis did not disclose to the lenders that a significant portion of the home's purchase price would be returned to the purchaser

following the purchase of the home and outside the closing of the home purchase.

3. Lenders extended home loans to the prospective purchasers based on the false applications, and wired the loan proceeds from outside Missouri to closing companies in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri. Following the closing, in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendant Davis deposited a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender's knowledge or consent and outside the closing, subsequently transferred a significant portion of the loan proceeds from that account (i) to accounts at other financial institutions to or on behalf of the home purchaser, and (ii) to the home purchaser and to other persons on behalf of the home purchaser.

4. At the time of the deposits and transfers described in the immediately preceding paragraph, the deposits of each financial institution at which the accounts were located were insured by the Federal Deposit Insurance Corporation.

5. At all times material to this indictment, Master Marketing Consultants was a Missouri limited liability company, and was owned by Defendant Charles M. Davis.

6. Some of the home purchasers subsequently defaulted on the loans, and the homes have been foreclosed or are in the process of being foreclosed.

Execution of the Scheme and Spending of a Portion of the Loan Proceeds

COUNT FOUR

On or about February 8, 2006 in Ozark, in Christian County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER,

aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$438,840.80 electronically over telephone lines from an America's Wholesale Lender account in Texas to a Great American Title Company account in Ozark, Christian County, Missouri by two wire communications for the purchase by a person known to the grand jury (Person "A") of a home located at 2430 East Red Ivy Place, Springfield, Greene County, Missouri for the purchase price of \$437,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIVE

On or about February 8 and 13, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about February 8, 2006 of a \$69,100 check drawn on an account of Great American Title Company and derived from the two wire communications described in Count Four, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about February 8 and 13, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$60,000 derived from the two wire communications described in Count Four and transfer of this amount to Person A by delivering to Person A four checks drawn on the Master Marketing Consultants account and in the amounts of \$30,000, \$10,000, \$10,000 and \$10,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT SIX

On or about February 17, 2006 in Republic, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$392,479.32 electronically over telephone lines from a Homecomings Financial account in Texas to a Fidelity Title Agency account in Republic, Greene County, Missouri by a wire communication for the purchase by Person A of a home located at 5876 South Brightwater Trail, Springfield, Greene County, Missouri for the purchase price of \$385,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT SEVEN

On or about February 17, 20 and 21, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about February 17, 2006 of a \$90,000 check drawn on an account of the home seller (or a person related to the home seller) and derived from the wire communication described in Count Six (through the deposit on or about February 17, 2006 in that account of a \$99,962.83 check drawn on an account of Fidelity Title Agency), into an

account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about February 20 and 21, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$60,000 derived from the wire communication described in Count Six and transfer of this amount to Person A by delivering to Person A four checks drawn on the Master Marketing Consultants account and in the amounts of \$17,000, \$15,000, \$15,000 and \$13,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT EIGHT

On or about March 17, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$536,281.52 electronically over telephone lines from a Mortgage Investment Lending Associates account in Washington to a NETCO account in Springfield, Greene County, Missouri by two wire communications for the purchase by Person A of a home located at 4473 South Irish Ivy, Springfield, Greene County, Missouri for the purchase price of \$535,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT NINE

On or about March 17 and 27, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each

other, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about March 17, 2006 of a \$159,051 check drawn on an account of the home seller (or a person related to the home seller) and derived from the wire communications described in Count Eight (through the deposit on or about March 17, 2006 in that account of a \$187,789.64 check drawn on an account of NETCO), into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about March 27, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$106,935 derived from the wire communications described in Count Eight and transfer of this amount to Person A by delivering to Person A four checks drawn on the Master Marketing Consultants account and in the amounts of \$33,731, \$28,461, \$22,660 and \$22,083.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TEN

On or about April 11, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$535,000 electronically over telephone lines from an American Southwest Mortgage account in Oklahoma to a Meridian Title Company, L.L.C. account in Springfield, Greene County, Missouri by two wire

communications for the purchase by Person A of a home located at 4457 South Irish Ivy, Springfield, Greene County, Missouri for the purchase price of \$535,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT ELEVEN

On or about April 11 and 14, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about April 11, 2006 of two checks in the amounts of \$86,890 and 67,760, drawn on an account of the home seller (or a person related to the home seller) and derived from the wire communications described in Count Ten (through the deposit on or about March 17, 2006 in that account of a \$197,305.55 check drawn on an account of Meridian Title Company, L.L.C.), into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about April 14, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$105,000 derived from the wire communications described in Count Ten and transfer of this amount to Person A by delivering to Person A three checks drawn on the Master Marketing Consultants account and in the amounts of \$40,000, \$35,000, and \$30,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWELVE

On or about January 17, 2006 in Springfield, in Greene County, in the Western District of

Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$600,951.15 electronically over telephone lines from an America's Wholesale Lender account in Texas to a Great American Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by two persons known to the grand jury (Persons "B" and B's wife "C") of a home located at 1308 East Siler Parkway, Springfield, Greene County, Missouri for the purchase price of \$599,900; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTEEN

On or about January 13 and 17, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about January 13, 2006 of a \$92,000 check drawn on an account of the home seller (or a person related to the home seller) and derived from the wire communications described in Count Twelve (through the deposit on or about January 17, 2006 in that account of a \$223,777.95 check drawn on an account of Great American Title Company), into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about January 17, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$70,000 derived from the wire communications described in Count Twelve and transfer of this amount to Persons B and C

by delivering to them a \$70,000 check drawn on the Master Marketing Consultants account.
All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FOURTEEN

On or about April 7, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$200,965 electronically over telephone lines from an Ameritrust account in North Carolina to a Meridian Title Company, L.L.C. account in Springfield, Greene County, Missouri by a wire communication for the purchase by Person B of a home located at 1111 North Gretchen, Nixa, Christian County, Missouri for the purchase price of \$198,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIFTEEN

On or about April 10 and 12, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about April 10, 2006 of a \$27,600 check drawn on an account of Meridian Title Company, L.L.C. and derived from the wire communication described in Count Fourteen, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about April 12, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$27,600 derived from the wire

communication described in Count Fourteen and transfer of this amount to Person B by delivering to Person B a \$27,600 check drawn on the Master Marketing Consultants account.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT SIXTEEN

On or about April 12, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$195,327.26 electronically over telephone lines from an Option One Mortgage account in Virginia to a Fidelity Title Agency account in Springfield, Greene County, Missouri by two wire communications for the purchase by Person B of a home located at 1121 North Gretchen, Nixa, Christian County, Missouri for the purchase price of \$198,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT SEVENTEEN

On or about April 12 and 14, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about April 12, 2006 of a \$27,600 check drawn on an account of Fidelity Title Agency and derived from the two wire communications described in Count Sixteen, into an account of Master Marketing Consultants at Liberty Bank;
2. Defendant Davis' withdrawal on or about April 14, 2006 from the account of Master

Marketing Consultants described in Section 1 of this count of \$27,600 derived from the two wire communications described in Count Sixteen and transfer of this amount to Person B by delivering to Person B a \$27,600 check drawn on the Master Marketing Consultants account. All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT EIGHTEEN

On or about April 25, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$177,174.68 electronically over telephone lines from a Lehman Brothers Bank account in Colorado to a Guaranty Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by Person B of a home located at 1117 North Gretchen, Nixa, Christian County, Missouri for the purchase price of \$198,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT NINETEEN

On or about April 25, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about April 25, 2006 of a \$27,600 check drawn on an account of Guaranty Title Company and derived from the two wire communications described in Count Eighteen, into an account of Master Marketing Consultants at Liberty Bank.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY

On or about April 27, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$300,441.24 electronically over telephone lines from a Homecomings Financial account in Texas to a Guaranty Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by Person B of a home located at 1809 West Lennox Drive, Springfield, Greene County, Missouri for the purchase price of \$299,900; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWENTY-ONE

On or about May 2, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about May 2, 2006 of a \$66,155 cashier's check purchased with funds from an account of the home seller (or a person related to the home seller) and derived from the wire communications described in Count Twenty (through the deposit on or about April 27, 2006 in that account of a \$80,399.53 check drawn on an account of Guaranty Title Company), into an account of Master Marketing Consultants at Liberty Bank;
2. Defendant Davis' withdrawal on or about May 2, 2006 from the account of Master

Marketing Consultants described in Section 1 of this count of \$66,155 derived from the wire communications described in Count Twenty and transfer of this amount to Person B by delivering to Person B a \$66,155 check drawn on the Master Marketing Consultants account. All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY-TWO

On or about June 14, 2006 in Ozark, in Christian County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$500,000 electronically over telephone lines from an American Southwest Mortgage account in Oklahoma to a Great American Title Company account in Ozark, Christian County, Missouri by two wire communications for the purchase by Persons B and C of a home located at 5134 South Castlewood Drive, Springfield, Greene County, Missouri for the purchase price of \$500,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWENTY-THREE

On or about June 14 and 15, 2006 in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about June 14, 2006 of a \$115,000 check drawn on an account of Great American Title Company and derived from the two wire communications described in Count Twenty-Two, into an account of Master Marketing Consultants at Liberty

Bank;

2. Defendant Davis' withdrawal on or about June 15, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$110,100 derived from the two wire communications described in Count Twenty-Two and transfer of this amount to Persons B and C by delivering to them two checks drawn on the Master Marketing Consultants account and each in the amount of \$55,050.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY-FOUR

On or about February 7, 2007 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendant transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$373,222.17 electronically over telephone lines from a First National Bank of Arizona Mortgage Banking Services account in California to a Lincoln-Evans Land Title account in Springfield, Greene County, Missouri by a wire communication for the purchase by Person C of a home located at 1477 South Ginger Blue Avenue, Springfield, Greene County, Missouri for the purchase price of \$390,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWENTY-FIVE

On or about February 7 and 8, 2007 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendant, CHARLES M. DAVIS, did knowingly engage in monetary transactions in criminally derived property of a value greater than \$10,000 in each

monetary transaction, that is:

1. Defendant Davis' deposit on or about February 7, 2007 of a \$122,536.39 check drawn on an account of Lincoln-Evans Land Title and derived from the wire communication described in Count Twenty-Four, into an account of Chuck M. Davis or Christa N. Davis at Regions Bank;

2. Defendant Davis' withdrawal on or about February 8, 2007 from the account of Chuck M. Davis or Christa N. Davis described in Section 1 of this count of \$42,000 derived from the wire communication described in Count Twenty-Four and transfer of this amount to Persons B and C by delivering to them a \$42,000 check drawn on the Chuck M. Davis or Christa N. Davis account.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY-SIX

On or about February 3, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$548,103.80 electronically over telephone lines from a Mortgage Investment Lending Associates account in Washington to a Meridian Title Company, L.L.C. account in Springfield, Greene County, Missouri by two wire communications for the purchase by Defendant Spencer of a home located at 4505 South Irish Ivy Avenue, Springfield, Greene County, Missouri for the purchase price of \$544,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWENTY-SEVEN

On or about February 6, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about February 6, 2006 of a \$86,000 check drawn on an account of Meridian Title Company, L.L.C. and derived from the two wire communications described in Count Twenty-Six, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about February 6, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$41,500 derived from the two wire communications described in Count Twenty-Six and transfer of this amount to Defendant Spencer by delivering to Defendant Spencer a \$41,500 check drawn on the Master Marketing Consultants account.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY-EIGHT

On or about February 10, 2006 in Republic, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$569,902.08 electronically

over telephone lines from an Option One Mortgage account in Virginia to a Fidelity Title Agency account in Republic, Greene County, Missouri by two wire communications for the purchase by Defendant Spencer of a home located at 5871 South Teters Court, Springfield, Greene County, Missouri for the purchase price of \$567,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT TWENTY-NINE

On or about February 13 and 15, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about February 13, 2006 of a \$109,000 check drawn on an account of the home seller (or a person related to the home seller) and derived from the two wire communications described in Count Twenty-Eight (through the deposit on or about February 10, 2006 in that account of a \$249,015.76 check drawn on an account of Fidelity Title Agency), into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about February 15, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$57,500 derived from the two wire communications described in Count Twenty-Eight and transfer of this amount to Defendant Spencer by delivering to Defendant Spencer two checks drawn on the Master Marketing Consultants account and in the amounts of \$29,500 and \$28,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNTS THIRTY THROUGH FORTY-THREE

The Scheme

From in or about March 2006 through in or about July 2006 in Christian and Greene Counties, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS (also known as Chuck Davis), CHERYL JOAN KASSEBAUM and SCOTT ALLEN KASSEBAUM, and others devised a scheme to defraud lenders of money and property and for obtaining money and property from lenders by means of false and fraudulent pretenses, representations and promises. The scheme was as follows.

1. Beginning in or before March 2006 and continuing through in or about July 2006 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendants and others solicited persons to purchase homes with the understanding that Defendants would return a significant portion of the purchase price of the home to the purchaser following the purchase of the home and outside the closing of the home purchase.

2. Defendant Kassebaum (and on occasion Defendant Davis) then prepared and caused to be prepared home mortgage loan applications on behalf of the prospective purchasers that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, and submitted and caused to be submitted those applications to lenders at locations outside Missouri. The false statements and omissions included the prospective purchaser's income, liabilities, absence of a prior bankruptcy, and intention to reside in the home to be purchased. Though Defendants knew that if a loan was extended to a prospective home purchaser the loan would be secured by the home, Defendants did not disclose to the lenders that a significant portion of the home's

purchase price would be returned to the purchaser following the purchase of the home and outside the closing of the home purchase.

3. Lenders extended home loans to the prospective purchasers based on the false applications, and wired the loan proceeds from outside Missouri to closing companies in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri. Following the closing, in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendant Davis deposited a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender's knowledge or consent and outside the closing, subsequently transferred a significant portion of the loan proceeds from that account (i) to accounts at other financial institutions to or on behalf of the home purchaser, and (ii) to the home purchaser and to other persons on behalf of the home purchaser.

4. At the time of the deposits and transfers described in the immediately preceding paragraph, the deposits of each financial institution at which the accounts were located were insured by the Federal Deposit Insurance Corporation.

5. At all times material to this indictment, Metro Consulting Group was a Missouri limited liability company, and was owned by Defendants Cheryl Joan and Scott Allen Kassebaum and two persons known to the grand jury (Persons "D" and D's wife "E").

6. Some of the home purchasers subsequently defaulted on the loans, and the homes have been foreclosed or are in the process of being foreclosed.

Execution of the Scheme and Spending of a Portion of the Loan Proceeds

COUNT THIRTY

On or about March 29, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM, SCOTT ALLEN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$415,050.19 electronically over telephone lines from a First Magnus account in Kansas to a NETCO account in Springfield, Greene County, Missouri by two wire communications for the purchase by Defendants Kassebaum of a home located at 902 North 21st Avenue, Ozark, Christian County, Missouri for the purchase price of \$414,850; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTY-ONE

On or about March 29, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS, CHERYL JOAN KASSEBAUM and SCOTT ALLEN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about March 29, 2006 of a \$82,900 check drawn on an account of NETCO and derived from the two wire communications described in Count Thirty, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about March 29, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$82,900 derived from the two wire communications described in Count Thirty and transfer of this amount to Defendants Kassebaum by delivering to them two checks drawn on the Master Marketing Consultants account and in the amounts of \$52,900 and 30,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT THIRTY-TWO

On or about April 24, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS, CHERYL JOAN KASSEBAUM and SCOTT ALLEN KASSEBAUM, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$197,839.07 electronically over telephone lines from a Homecomings Financial account in Texas to a Fidelity Title Agency account in Springfield, Greene County, Missouri by two wire communications for the purchase by Defendant Scott Allen Kassebaum of a home located at 1128 Gretchen, Nixa, Christian County, Missouri for the purchase price of \$198,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTY-THREE

On or about April 24 and May 3, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS, CHERYL JOAN KASSEBAUM and SCOTT ALLEN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause

another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about April 24, 2006 of a \$27,600 check drawn on an account of Fidelity Title Agency and derived from the two wire communications described in Count Thirty-Two, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about May 3, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$28,955.20 derived from the two wire communications described in Count Thirty-Two and transfer of this amount to Defendant Scott Allen Kassebaum by delivering to him a \$28,955.20 check drawn on the Master Marketing Consultants account and payable to Metro Consulting Group.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT THIRTY-FOUR

On or about May 2, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$410,000 electronically over telephone lines from a Choice Capital Funding account in Georgia to a NETCO account in Springfield, Greene County, Missouri by a wire communication for the purchase by two persons known to the grand jury (Persons "D" and D's wife "E") of a home located at 905 North 21st Avenue, Ozark, Christian County, Missouri for the purchase price of \$410,000; all in violation of

Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTY-FIVE

On or about May 3, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and CHERYL JOAN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about May 3, 2006 of a \$98,100 check drawn on an account of the home seller (or a person related to the home seller) and derived from the wire communication described in Count Thirty-Four (through the deposit on or about May 2, 2006 in that account of a \$136,632.70 check drawn on an account of NETCO), into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about May 3, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$98,100 derived from the wire communication described in Count Thirty-Four and transfer of this amount to Person D by delivering to Person D two checks each in the amount of \$49,050, drawn on the Master Marketing Consultants account and payable to Metro Consulting Group.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT THIRTY-SIX

On or about May 3, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication

certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$364,158.13 electronically over telephone lines from an America's Wholesale Lender account in Texas to a Great American Title Company account in Springfield, Greene County, Missouri by a wire communication for the purchase by a person known to the grand jury (Person "F") of a home located at 2307 North 10th Avenue, Ozark, Christian County, Missouri for the purchase price of \$399,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTY-SEVEN

On or about May 3 and 9, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and CHERYL JOAN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about May 3, 2006 of a \$78,000 check drawn on an account of Great American Title Company and derived from the wire communication described in Count Thirty-Six, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about May 9, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$78,000 derived from the wire communication described in Count Thirty-Six and transfer of this amount to Person F by delivering to Metro Consulting Group on behalf of Person F two checks each in the amount of \$39,000, drawn on the Master Marketing Consultants account and payable to Metro Consulting Group.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT THIRTY-EIGHT

On or about May 8, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM, SCOTT ALLEN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$414,032.64 electronically over telephone lines from a Countrywide Financial account in Texas to a NETCO account in Springfield, Greene County, Missouri by a wire communication for the purchase by Defendants Kassebaum of a home located at 1909 East Highview, Ozark, Christian County, Missouri for the purchase price of \$410,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THIRTY-NINE

On or about May 8 and 11, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS, CHERYL JOAN KASSEBAUM and SCOTT ALLEN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about May 8, 2006 of a \$98,600 check drawn on an account of NETCO and derived from the wire communication described in Count Thirty-Eight, into an account of Master Marketing Consultants at Liberty Bank;
2. Defendant Davis' withdrawal on or about May 11, 2006 from the account of Master

Marketing Consultants described in Section 1 of this count of \$98,600 derived from the wire communication described in Count Thirty-Eight and transfer of this amount to Defendant Scott Allen Kassebaum by delivering to him two checks in the amounts of \$53,600 and \$45,000, drawn on the Master Marketing Consultants account and payable to Metro Consulting Group. All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FORTY

On or about May 23, 2006 in Ozark, in Christian County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$407,719.20 electronically over telephone lines from a Harbourton Mortgage account in Virginia to an account of David N. Appleby in Ozark, Christian County, Missouri by two wire communications for the purchase by a person known to the grand jury (Person "G") of a home located at 1913 East Highview, Ozark, Christian County, Missouri for the purchase price of \$410,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-ONE

On or about May 23, 2006 in the Western District of Missouri, and elsewhere, Defendants, CHARLES M. DAVIS and CHERYL JOAN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about May 23, 2006 of a \$79,000 check drawn on an account of David N. Appleby and derived from the wire communications described in Count Forty, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about May 23, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$60,000 derived from the wire communications described in Count Forty and transfer of this amount to Person G by delivering to Person G a \$60,000 check drawn on the Master Marketing Consultants account.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FORTY-TWO

On or about June 2 and 5, 2006 in Ozark, in Christian County, in the Western District of Missouri, and elsewhere, Defendants, CHERYL JOAN KASSEBAUM and CHARLES M. DAVIS, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$414,109.40 electronically over telephone lines from an America's Wholesale Lender account in Texas to a Great American Title Company account in Ozark, Christian County, Missouri by two wire communications for the purchase by Person G of a home located at 1907 East Highview, Ozark, Christian County, Missouri for the purchase price of \$415,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-THREE

On or about June 5 and 6, 2006 in the Western District of Missouri, and elsewhere,

Defendants, CHARLES M. DAVIS and CHERYL JOAN KASSEBAUM, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. Defendant Davis' deposit on or about June 5, 2006 of a \$70,000 check drawn on an account of Great American Title Company and derived from the wire communications described in Count Forty-Two, into an account of Master Marketing Consultants at Liberty Bank;

2. Defendant Davis' withdrawal on or about June 6, 2006 from the account of Master Marketing Consultants described in Section 1 of this count of \$52,000 derived from the wire communications described in Count Forty-Two and transfer of this amount to Person G by delivering to Person G a \$52,000 check drawn on the Master Marketing Consultants account.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNTS FORTY-FOUR THROUGH FIFTY-FIVE

The Scheme

From in or about November 2005 through in or about October 2006 in Christian and Greene Counties, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, and others devised a scheme to defraud lenders of money and property and for obtaining money and property from lenders by means of false and fraudulent pretenses, representations and promises. The scheme was as follows.

1. Beginning in or before November 2005 and continuing through in or about October 2006 in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendants and others solicited persons to purchase homes with the understanding that Defendants would return a significant portion of the purchase price of the home to the purchaser

following the purchase of the home and outside the closing of the home purchase.

2. Defendant Hall then prepared and caused to be prepared home mortgage loan applications on behalf of the prospective purchasers that contained material false statements and omissions of requested material facts in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, and submitted and caused to be submitted those applications to lenders at locations outside Missouri. The false statements and omissions included the prospective purchaser's income, place of employment, assets, liabilities, and intention to reside in the home to be purchased. Though Defendants knew that if a loan was extended to a prospective home purchaser the loan would be secured by the home, Defendant Hall did not disclose to the lenders that a significant portion of the home's purchase price would be returned to the purchaser following the purchase of the home and outside the closing of the home purchase.

3. Lenders extended home loans to the prospective purchasers based on the false applications, and wired the loan proceeds from outside Missouri to closing companies in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri. Following the closing, in Christian and Greene Counties, Missouri and elsewhere in the Western District of Missouri, Defendants deposited, and caused another to deposit, a portion of the loan proceeds obtained from loans based on the false applications into an account at a financial institution and, without the lender's knowledge or consent and outside the closing, subsequently transferred, and caused another to transfer, a significant portion of the loan proceeds from that account (i) to accounts at other financial institutions to or on behalf of the home purchaser, and (ii) to the home purchaser and to other persons on behalf of the home purchaser.

4. At the time of the deposits and transfers described in the immediately preceding paragraph, the deposits of each financial institution at which the accounts were located were insured by the Federal Deposit Insurance Corporation and the National Credit Union Administration.

5. Some of the home purchasers subsequently defaulted on the loans, and the homes have been foreclosed or are in the process of being foreclosed.

Execution of the Scheme and Spending of a Portion of the Loan Proceeds

COUNT FORTY-FOUR

On or about November 17, 2005 in Nixa, in Christian County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$242,439.50 electronically over telephone lines from a Homeland Capital, LLC account in North Carolina to a Great American Title Company account in Nixa, Christian County, Missouri by a wire communication for the purchase by Defendant Spencer of a home located at 3601 West Grandview, Springfield, Greene County, Missouri for the purchase price of \$265,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-FIVE

On or about November 17 and 18, 2005 in Greene County, in the Western District of Missouri, and elsewhere, Defendants, STEVEN RAY SPENCER and RANDALL LEE HALL,

aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. The home seller's deposit on or about November 17, 2005 of a \$61,187.12 check drawn on an account of Great American Title Company and derived from the wire communication described in Count Forty-Four, into an account of the home seller at CU Community Credit Union;

2. The home seller's withdrawal on or about November 18, 2005 from the home seller's account described in Section 1 of this count of \$15,000 derived from the wire communication described in Count Forty-Four and transfer of this amount to Defendant Spencer by delivering to him a check drawn on the home seller's account in the amount of \$15,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FORTY-SIX

On or about February 10, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$209,218.02 electronically over telephone lines from a Sebring Capital Partners account in Texas to a Guaranty Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by a person known to the grand jury (Person "H") of a

home located at 5950 East Linda Street, Rogersville, Greene County, Missouri for the purchase price of \$208,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-SEVEN

On or about May 1, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$553,740.33 electronically over telephone lines from an Encore Credit account in Illinois to a Guaranty Title Company account in Springfield, Greene County, Missouri by a wire communication for the purchase by two persons known to the grand jury (Persons "I" and I's wife "J") of a home located at 2505 East German Ivy, Springfield, Greene County, Missouri for the purchase price of \$544,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-EIGHT

On or about May 17, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$718,022.95 electronically over telephone lines from a Harbourton Mortgage account in California to a Guaranty Title

Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by Persons I and J of a home located at 5966 South McCann, Springfield, Greene County, Missouri for the purchase price of \$711,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FORTY-NINE

On or about May 17 and 19, 2006 in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, did knowingly engage, and cause another to engage, in monetary transactions in criminally derived property of a value greater than \$10,000 in each monetary transaction, that is:

1. The home seller's deposit on or about May 17, 2006 of a \$86,315.60 check drawn on an account of Guaranty Title Company and derived from the wire communications described in Count Forty-Eight, into an account of the home seller at Liberty Bank;

2. The home seller's withdrawal on or about May 19, 2006 from the home seller's account described in Section 1 of this count of \$61,000 derived from the wire communications described in Count Forty-Eight and transfer of this amount to Persons I and J by delivering to them a check drawn on the home seller's account in the amount of \$61,000.

All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FIFTY

On or about May 19, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain

writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$752,492.29 electronically over telephone lines from a Sebring Capital Partners account in Texas to a Guaranty Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by a person known to the grand jury (Person “K”) of a home located at 1483 East Wilder, Springfield, Greene County, Missouri for the purchase price of \$750,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIFTY-ONE

On or about May 24, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$668,158.64 electronically over telephone lines from a Homeland Capital, LLC account in North Carolina to a Guaranty Title Company account in Springfield, Greene County, Missouri by two wire communications for the purchase by Person K of a home located at 5954 South McCann, Springfield, Greene County, Missouri for the purchase price of \$660,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIFTY-TWO

On or about May 24, 2006 in Greene County, in the Western District of Missouri, and elsewhere, Defendants, STEVEN RAY SPENCER and RANDALL LEE HALL, aiding and

abetting each other, did knowingly engage, and cause another to engage, in a monetary transaction in criminally derived property of a value greater than \$10,000, that is:

1. The home seller's deposit on or about May 24, 2006 of a \$332,216.26 check drawn on an account of Guaranty Title Company and derived from the wire communications described in Count Fifty-One, into an account of the home seller at Great Southern Bank;

2. The home seller's withdrawal on or about May 24, 2006 from the home seller's account described in Section 1 of this count of \$141,556.52 derived from the wire communications described in Count Fifty-One and transfer of this amount to Defendant Spencer, doing business as S & S Marketing, by delivering to Spencer a check drawn on the home seller's account in the amount of \$141,556.52, which check Spencer then endorsed and delivered to K. All in violation of Title 18, United States Code, Sections 1957 and 2.

COUNT FIFTY-THREE

On or about July 11, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$461,169.72 electronically over telephone lines from a Wells Fargo account in Minnesota to a Guaranty Title Company account in Springfield, Greene County, Missouri by a wire communication for the purchase by a person known to the grand jury (Person "L") of a home located at 3109 West Grandview, Springfield, Greene County, Missouri for the purchase price of \$475,000; all in violation of Title 18, United

States Code, Sections 1343 and 2.

COUNT FIFTY-FOUR

On or about August 29, 2006 in Nixa, in Christian County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the aggregate amount of \$260,946.05 electronically over telephone lines from a West America Mortgage Company account in Colorado to a Great American Title Company account in Nixa, Christian County, Missouri by two wire communications for the purchase by Person L of a home located at 3228 West Smith Street, Springfield, Greene County, Missouri for the purchase price of \$260,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIFTY-FIVE

On or about October 11, 2006 in Springfield, in Greene County, in the Western District of Missouri, and elsewhere, Defendants, RANDALL LEE HALL and STEVEN RAY SPENCER, aiding and abetting each other, for the purpose of executing the scheme, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication certain writings, signs, signals, pictures and sounds, that is, Defendants transmitted and caused to be transmitted home mortgage loan proceeds in the amount of \$625,288.22 electronically over telephone lines from a Wells Fargo account in Minnesota to a Meridian Title Company, L.L.C. account in Springfield, Greene County, Missouri by a wire

communication for the purchase by Person H of a home located at 5871 South Teters Court, Springfield, Greene County, Missouri for the purchase price of \$650,000; all in violation of Title 18, United States Code, Sections 1343 and 2.

A TRUE BILL

/s/
FOREPERSON OF THE GRAND JURY

/s/ Douglas C. Bunch
DOUGLAS C. BUNCH
Assistant United States Attorney
Missouri Bar No. 35052