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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JAMES A. WARSING,

Defendant.

~~IN RE~~ **1:07CR 634**

CR. NO. _____

Title 18 Sections 1341
and 2, United States Code

JUDGE ALDRICH

COUNTS 1-6

The Grand Jury charges:

1. At all times relevant herein:

A. The defendant, JAMES A. WARSING, resided in Ashtabula, Ohio. The defendant owned and controlled a corporation named WJW Enterprises, Inc. ("WJW") which he incorporated in Ohio in 1994. The defendant operated WJW from 3141 Pinney Topper Road, Ashtabula, Ohio and was

purportedly in the business of providing assistance to home owners to help prevent foreclosure of their homes.

2. Beginning sometime in 2001 and continuing through approximately 2005, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio, and elsewhere, the defendant, JAMES A. WARSING, and others, both known and unknown to the Grand Jury, devised, and intended to devise, a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, made to various financially troubled home owners, and by fraudulently holding himself and his company, WJW Enterprises, Inc., as having the expertise to save homes from being foreclosed upon by lending institutions.

3. As a part of the scheme to defraud, the defendant obtained public information regarding foreclosure actions and mailed flyers to individual homeowners involved with the foreclosures, offering the services of WJW to assist the homeowner in saving their home from foreclosure.

4. As a part of the scheme to defraud, the defendant advised, and caused employees of WJW to advise, various home owners that WJW could assist them for a fee, usually in an varying amounts of between \$700 and \$900. The homeowners were fraudulently told that WJW Enterprises, Inc., would mediate with the lenders involved on behalf of the home owners to arrive at some

settlement with the lender and, thereby, avoid a foreclosure of the homeowner's home. In truth, in many cases, the defendant and his company did no negotiating with lenders on behalf of the homeowner.

5. As a further part of the scheme to defraud, the defendant requested homeowners to provide him with sums of money to be used to negotiate with the lenders and use such money to pay the lenders on the homeowner's behalf. However, the defendant, in most cases, never intended to use such monies for the purpose of payments on the homeowners' behalf, but rather, the defendant used the monies given to him by the homeowners for his own personal and business purposes.

6. As a further part of the scheme to defraud, the defendant hired attorneys to prepare and file bankruptcy petitions on behalf of homeowners to delay the foreclosure by lenders, but rarely did such action prevent the lenders from eventually foreclosing upon the homeowners' homes.

7. As a further part of the scheme to defraud, the defendant by means of statements made by him or by the employees of WJW at the defendant's direction, in order to induce various homeowners to part with their money, did make the following false statements to prospective customers and homeowners:

A. That WJW specialized in helping people save their homes currently in foreclosure with highly trained, qualified specialists to

assist with preventing of foreclosure of homes; whereas, in truth, WJW was incapable of saving homes from foreclosure for most of its clients.

B. That WJW would hold the client/homeowner's money given to WJW by the homeowner for the purpose of negotiating a settlement with the lender; whereas, in truth, the defendant used such monies for other purposes.

C. That WJW would use its best efforts to negotiate a settlement with the lender to save the home from foreclosure; whereas, in truth, WJW would in many cases not even contact the lender, but simply recommend the client file for bankruptcy which usually would only stall, but not stop, the foreclosure process.

8. As a further part of the scheme to defraud, the defendant would use, and cause the use of the mails in various ways, including: causing the mailing of flyers about WJW to various homeowners, causing the mailing of agreements for the homeowners to sign and return, and by requesting payment of fees and deposits of other monies to be sent to WJW by the homeowner.

9. As a further part of the scheme to defraud, the defendant fraudulently obtained monies from various homeowners during the period 2002 through 2004 of over approximately \$500,000.

10. On or about the following dates, in the Northern District of Ohio, Eastern Division, the defendant, JAMES A. WARSING, for the purpose of executing such scheme and artifice to defraud and to obtain money, and attempting to do so, did knowingly cause the following checks in the following amounts, from the following individual payors (identified by initials only), to be delivered by United States mails, or commercial interstate mail carrier, to WJW Enterprises, 3141 Pinney Topper Road, Ashtabula, Ohio:

Count	Date	Payor	Amount
1	2/14/2003	H.C.	\$275
2	3/20/2003	G.R.	\$7,000
3	6/2/2003	B.W.	\$4,500
4	8/11/2003	B.S.H.	\$3,600
5	10/9/2003	E.L.	\$3,000
6	12/10/2003	R.P.	\$10,000

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 7

1. The Grand Jury herewith incorporates the allegations contained in paragraphs 1 through 9 of Counts 1 through 6 of this Indictment.
2. On or about March 13, 2003, in the Northern District of Ohio, Eastern Division, the defendant, JAMES A. WARSING, for the purpose of executing such scheme and artifice to defraud and to obtain money, as described above, and

attempting to do so, did knowingly cause a flyer advertising the services of WJW Enterprises, to be delivered from Cleveland, Ohio by United States mails to J.G. in Greensburg, Pennsylvania 15601.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT 8

1. The Grand Jury herewith incorporates the allegations contained in paragraphs 1 through 9 of Counts 1 through 6 of this Indictment.

2. On or about December 9, 2003, in the Northern District of Ohio, Eastern Division, the defendant, JAMES A. WARSING, for the purpose of executing such scheme and artifice to defraud and to obtain money, as described above, and attempting to do so, did knowingly cause a flyer advertising the services of WJW Enterprises, to be delivered from Ashtabula, Ohio by United States mails to J.A.B. in Monongahela, Pennsylvania 15063.

All in violation of Title 18, United States Code, Sections 1341 and 2.

A TRUE BILL.