

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
WESTERN DIVISION

UNITED STATES OF AMERICA : CRIMINAL NO.
: **1104CR00142**
: INFORMATION
v. :
: 18 U.S.C. § 2
WILLIAM EDWARD WINN : 18 U.S.C. § 371
: 18 U.S.C. § 1341
: **HONORABLE SANDRA S. BECKWITH**

COUNT 1
(18 U.S.C. § 371)

CONSPIRACY

A. OBJECTS OF THE CONSPIRACY

1. Between January 14, 2002, and November 4, 2003, in the Southern District of Ohio, the defendant, **WILLIAM EDWARD WINN**, did knowingly, intentionally, and willfully combine, conspire, confederate, and agree with Jay Sullivan, Troy Clements, and others, to commit an offense against the United States as follows:

a. The defendant, along with his coconspirators, devised a scheme and artifice to defraud various federally insured financial institutions and other financial institutions by, among other things, knowingly submitting false documents to those financial institutions in support of a loan application.

b. The defendant, along with his coconspirators, unlawfully, willingly, and knowingly, devised and intended to devise a scheme and artifice to defraud and obtain money and property by false and fraudulent pretenses, representations, and promises as described in Paragraph 1(a), and for the purpose of executing said scheme and artifice, and attempting to do so placed or caused to be

placed, letters, property, matter, or things, to be sent and delivered by the United States Postal Service and/or by commercial interstate carriers, according to the direction thereon, in violation of Title 18, United States Code, Sections 1341 and 2.

B. BACKGROUND OF THE CONSPIRACY

1. At all times relevant to this conspiracy:
 - a. The defendant, **WILLIAM EDWARD WINN**, was a loan officer at Airline Union's Mortgage Company, which was located at 1313 East Kemper Road in Cincinnati, Ohio.
 - b. Jay Sullivan is the President of Airline Union's Mortgage Company and oversaw the loan officers.
 - c. Troy Clements, operating under the trade name of American Funding, also conducted his business at 1313 East Kemper Road in Cincinnati, Ohio.
 - d. The victims, among others, included SouthStar Funding, LLC, a private lender.

C. MANNER AND MEANS OF THE CONSPIRACY

The use of the term "the conspirators" herein refers to the defendant, **WILLIAM EDWARD WINN**, and one or more unindicted conspirators, or to some other person whom one or more of the conspirators caused to act.

In order to accomplish the foregoing objects of the conspiracy, the defendant used the following manner and means, among others:

- a. Airline Union's Mortgage and American Funding would mail out fliers seeking buyers of real estate. The fliers would promise the buyers that they could obtain real estate with no money down and no other out-of-pocket expenses.

b. Once the conspirators located a buyer, the loan officers and processor would determine the loan amount for which a borrower could legitimately qualify.

c. The conspirators, including the loan officers and processor, would then create false documents, including, but not limited to, verifications of employment, verifications of deposit, 401(k)s, gift letters, verifications of mortgage and/or rental or lease agreements.

d. The conspirators would then submit a fraudulent loan package to the lender in order to obtain a "refinance" loan that would be used in significant part to pay the conspirators.

D. OVERT ACTS

In furtherance of the conspiracy and to effectuate the objects of the conspiracy, the following overt act, among others, was committed in the Southern District of Ohio and elsewhere.

1. The following substantive count is realleged and incorporated herein (as if it was fully reproduced herein) as an overt act.

All in violation of 18 U.S.C. § 371.

COUNT 2 **(18 U.S.C. §§ 1341 and 2)**

1. Parts A of Count 1 of the Information is realleged and incorporated by reference as though set forth in full herein as a description of the scheme and artifice to defraud.

2. On or about November 20, 2002, in the Southern District of Ohio and elsewhere, having devised and intended to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, the defendant, **WILLIAM EDWARD WINN**, for the purpose of executing such scheme and artifice

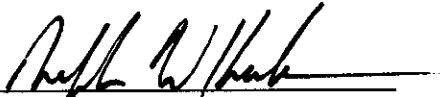
to defraud, knowingly caused a fraudulent loan package to be sent, delivered, and moved by the United States mails and commercial interstate carriers from Airline Union's Mortgage Company located at 1313 East Kemper Road in Cincinnati, Ohio to SouthStar Funding LLC located at 400 Northridge Road, Suite 1120, Atlanta, Georgia 30350.

3. On or about November 20, 2002, William Edward Winn assisted Jonah Holbrook in obtaining a mortgage loan for the "refinance" of a residential property he was purchasing as part of the American Funding program. At the time he sought the "refinance" loan, the property had not yet been purchased. William Edward Winn supported the loan application with a false Verification of Deposit from U.S. Bank. In order to obtain the false Verification of Deposit, one of William Edward Winn's coconspirators, Troy Clements, provided short-term loan to Mr. Holbrook so he could deposit the money into his account and make his account appear as if it had more money than it actually did. After depositing the money from Troy Clements, Mr. Holbrook obtained a Verification of Deposit from U.S. Bank. This "short-term loan" from Troy Clements to Mr. Holbrook was not disclosed to the mortgage lender. As a result, the financial institution believed Mr. Holbrook had unencumbered funds available to close, when in fact these funds were really Mr. Clements's funds used to inflate artificially Mr. Holbrook's account so he could qualify for the loan. On December 12, 2002, when Mr. Winn received the Verification of Deposit and included it in the loan package, he knew the document to be false. Mr. Winn caused

this fraudulent loan package to be sent via commercial carrier to SouthStar Funding. Mr. Winn's actions were committed in furtherance of a scheme and artifice to defraud SouthStar Funding LLC.

All in violation of 18 U.S.C. §§ 1341 and 2.

**GREGORY G. LOCKHART
UNITED STATES ATTORNEY**



**RALPH W. KOHNEN
Deputy Criminal Chief**