

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT

BY: COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING

OFFENSE CHARGED

Count One: 15 U.S.C. §1 - Bid Rigging (Alameda County) Petty
Count One: 15 U.S.C. §1 - Bid Rigging (Contra Costa County) Minor
 Misdemeanor
 Felony

PENALTY: Maximum Terms for Count 1: (1) 10 years prison; (2) fine of \$1 million; (3) 3 years supervised release; (4) \$100 special assessment; and (5) Restitution. Maximum Terms for Count 2: 1) 10 years prison; (2) fine of \$1 million; (3) 3 years supervised release; (4) \$100 special assessment; and (5) Restitution.

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

DEFENDANT - U.S.

Wayne Lippman

DISTRICT COURT NUMBER

CR15-00245

HSG

FILED
MAY - 4 2015
RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Federal Bureau of Investigation

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of:
 U.S. ATTORNEY DEFENSE } SHOW DOCKET NO.

this prosecution relates to a pending case involving this same defendant } MAGISTRATE CASE NO.

prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under }

Name and Office of Person Furnishing Information on this form Micah Wyatt, Dept. of Justice
 U.S. Attorney Other U.S. Agency

Name of Assistant U.S. Attorney (if assigned)

IS NOT IN CUSTODY

- Has not been arrested, pending outcome this proceeding.
1) If not detained give date any prior summons was served on above charges
2) Is a Fugitive
3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
5) On another conviction } Federal State
6) Awaiting trial on other charges
If answer to (6) is "Yes", show name of institution

Has detainer been filed? Yes No } If "Yes" give date filed

DATE OF ARREST Month/Day/Year

Or... if Arresting Agency & Warrant were not
DATE TRANSFERRED TO U.S. CUSTODY Month/Day/Year

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

PROCESS:

SUMMONS NO PROCESS* WARRANT

If Summons, complete following:

Arraignment Initial Appearance

Defendant Address:

Comments:

Bail Amount: _____

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____ Before Judge: _____

FILED

2015 MAY -4 A 9:05

RICHARD W. WIEKING
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

HSG

CR15-00245

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13 UNITED STATES DISTRICT COURT
14 NORTHERN DISTRICT OF CALIFORNIA
15 OAKLAND DIVISION

16 UNITED STATES OF AMERICA

17 v.

18 WAYNE LIPPMAN,
19 Defendant.

) Criminal No.
)
) **INFORMATION**
)
) VIOLATIONS: 15 U.S.C. § 1 -
) Bid Rigging (Two Counts)
)
)
)
)
)
)

20
21 The United States of America, acting through its attorneys, charges:

22 WAYNE LIPPMAN,

23 the defendant herein, as follows:

24 BACKGROUND

25 1. At all times relevant to this Information, when California homeowners defaulted
26 on their mortgages, mortgage holders could institute foreclosure proceedings and sell the
27 properties through non-judicial public real estate foreclosure auctions ("public auctions"). These
28

1 public auctions were governed by California Civil Code, Section 2924, *et seq.* Typically, a
2 trustee was appointed to oversee the public auctions. These public auctions usually took place at
3 or near the courthouse of the county in which the properties were located. The auctioneer, acting
4 on behalf of the trustee, sold the property to the bidder offering the highest purchase price.
5 Proceeds from the sale were then used to pay the mortgage holders, other holders of debt secured
6 by the property, and, in some cases, the defaulting homeowner (collectively, “beneficiaries”).

7 COUNT ONE: 15 U.S.C. § 1 – Bid Rigging (Alameda County)

8 THE COMBINATION AND CONSPIRACY

9 2. Beginning as early as March 2009 and continuing until in or about January 2011,
10 the defendant, WAYNE LIPPMAN, and co-conspirators entered into and engaged in a
11 combination and conspiracy to suppress and restrain competition by rigging bids to obtain
12 selected properties offered at public auctions in Alameda County in the Northern District of
13 California, in unreasonable restraint of interstate trade and commerce, in violation of the
14 Sherman Act, Title 15, United States Code, Section 1.

15 3. The charged combination and conspiracy consisted of a continuing agreement,
16 understanding, and concert of action among the defendant and his co-conspirators to suppress
17 competition by agreeing to refrain from or stop bidding against each other to purchase selected
18 properties at public auctions in Alameda County at non-competitive prices.

19 4. For the purpose of forming and carrying out the charged combination and
20 conspiracy, the defendant and his co-conspirators did those things that they combined and
21 conspired to do, including, among other things:

22 a. agreeing not to compete to purchase selected properties at public auctions
23 in Alameda County;

24 b. designating which conspirator would win the selected properties at the
25 public auctions for the group of conspirators;

26 c. refraining from or stopping bidding for the selected properties at the
27 public auctions;

28 //

1 d. purchasing selected properties at public auctions at artificially suppressed
2 prices;

3 e. negotiating, making, and receiving payoffs for agreeing not to compete
4 with co-conspirators; and

5 f. holding second, private auctions, known as “rounds,” to determine the
6 payoff amounts and the conspirators who would be awarded the selected properties.

7 5. Various entities and individuals not made defendants in this Count participated as
8 co-conspirators in the offense charged and performed acts and made statements in furtherance
9 thereof.

10 TRADE AND COMMERCE

11 6. During the period covered by this Information, the business activities of the
12 defendant and his co-conspirators that are the subject of this Information were within the flow of,
13 and substantially affected, interstate trade and commerce. For example, beneficiaries located in
14 states other than California received proceeds from the public auctions that were subject to the
15 bid-rigging conspiracy.

16 JURISDICTION AND VENUE

17 7. The combination and conspiracy charged in this Information was carried out, in
18 part, in the Northern District of California, within the five years preceding the filing of this
19 Information.

20 ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.

21 COUNT TWO: 15 U.S.C. § 1 – Bid Rigging (Contra Costa County)

22 THE COMBINATION AND CONSPIRACY

23 8. Beginning as early as August 2008 and continuing until in or about January 2011,
24 the defendant, WAYNE LIPPMAN, and co-conspirators entered into and engaged in a
25 combination and conspiracy to suppress and restrain competition by rigging bids to obtain
26 selected properties offered at public auctions in Contra Costa County in the Northern District of
27 California, in unreasonable restraint of interstate trade and commerce, in violation of the
28 Sherman Act, Title 15, United States Code, Section 1.

1 9. The charged combination and conspiracy consisted of a continuing agreement,
2 understanding, and concert of action among the defendant and his co-conspirators to suppress
3 competition by agreeing to refrain from or stop bidding against each other to purchase selected
4 properties at public auctions in Contra Costa County at non-competitive prices.

5 10. For the purpose of forming and carrying out the charged combination and
6 conspiracy, the defendant and his co-conspirators did those things that they combined and
7 conspired to do, including, among other things:

8 a. agreeing not to compete to purchase selected properties at public auctions
9 in Contra Costa County;

10 b. designating which conspirator would win the selected properties at the
11 public auctions for the group of conspirators;

12 c. refraining from or stopping bidding for the selected properties at the
13 public auctions;

14 d. purchasing selected properties at public auctions at artificially suppressed
15 prices;

16 e. negotiating, making, and receiving payoffs for agreeing not to compete
17 with co-conspirators; and

18 f. holding second, private auctions, known as "rounds," to determine the
19 payoff amounts and the conspirators who would be awarded the selected properties.

20 11. Various entities and individuals not made defendants in this Court participated as
21 co-conspirators in the offense charged and performed acts and made statements in furtherance
22 thereof.


23 TRADE AND COMMERCE

24 12. During the period covered by this Information, the business activities of the
25 defendant and his co-conspirators that are the subject of this Information were within the flow of,
26 and substantially affected, interstate trade and commerce. For example, beneficiaries located in
27 states other than California received proceeds from the public auctions that were subject to the
28 bid-rigging conspiracy.

JURISDICTION AND VENUE

13. The combination and conspiracy charged in this Information was carried out, in part, in the Northern District of California, within the five years preceding the filing of this Information.

ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.



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Acting Under Authority Conferred
by 28 U.S.C. § 515