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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2012 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

CARL EDWARD WASHINGTON,

Defendant.

CR. No. **12 00868**
I N D I C T M E N T

[18 U.S.C. § 1344: Bank Fraud;
18 U.S.C. § 1014: False Statement
to a Financial Institution]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

1. A credit score was a statistical analysis of a person's creditworthiness based largely on their credit history. One of the most commonly used and widely known credit scores was a credit score developed by FICO, an acronym for the company previously known as Fair Isaac Corporation. Financial institutions often referred to this as an individual's "FICO score."

2. First City Credit Union ("First City") was a financial

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1 institution whose deposits were insured by the National Credit Union
2 Share Insurance Fund. First City maintained approximately nine
3 branch offices within the Central District of California. First
4 City offered Visa credit cards to its qualified customers and used
5 the customer's FICO score as a factor in determining the credit
6 limit and interest rate for those credit cards.

7 3. LA Financial Credit Union ("LA Financial") was a
8 financial institution whose deposits were insured by the National
9 Credit Union Share Insurance Fund. LA Financial maintained
10 approximately four branch offices within the Central District of
11 California. LA Financial offered Visa credit cards to its qualified
12 customers and used the customer's FICO score as a factor in
13 determining the credit limit and interest rate for those credit
14 cards.

15 4. Farmers and Merchants Bank ("Farmers and Merchants")
16 was a financial institution whose deposits were insured by the
17 Federal Deposit Insurance Corporation. Farmers and Merchants
18 maintained approximately twenty branch offices within the Central
19 District of California. Farmers and Merchants offered Visa credit
20 cards to its qualified customers and used the customer's FICO score
21 as a factor in determining the credit limit and interest rate for
22 those credit cards.

COUNTS ONE THROUGH THREE

[18 U.S.C. §§ 1344(1), (2)]

Beginning on or about February 21, 2007, and continuing through on or about August 31, 2011, in Los Angeles County, within the Central District of California, and elsewhere, defendant CARL EDWARD WASHINGTON ("WASHINGTON"), knowingly and with intent to defraud, executed and attempted to execute a scheme to defraud First City Credit Union, Farmers and Merchants Bank, and LA Financial Credit Union ("the victim banks") as to material matters, and to obtain money and property from the victim banks by means of material false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

A. THE SCHEME TO DEFRAUD

1. The fraudulent scheme was carried out, and was to be carried out, in substance, as follows:

a. Defendant WASHINGTON would obtain credit cards and loans from financial institutions other than the victim banks using his personal identifying information, including, among other things, his name, address, date of birth, and social security number.

b. Defendant WASHINGTON would use the credit cards and loans to purchase goods and services for himself and others, including airline tickets, hotels, dry cleaning, rental cars, and food, as well as for cash advances.

c. Defendant WASHINGTON would make several payments towards the credit cards and loans, including payments from his Washington Mutual Bank ("WAMU") checking account ending in x7945,

1 the same account into which defendant WASHINGTON had his salary from
2 the Los Angeles County Probation Department directly deposited.

3 d. Defendant WASHINGTON would eventually stop making
4 payments towards the credit cards and loans, and, while substantial
5 unpaid balances and past due amounts remained on the credit cards
6 and loans, he would file a police report with the Los Angeles County
7 Sheriff's Department ("LASD") in which he falsely claimed to be the
8 victim of identity theft as it related to those credit cards and
9 loans.

10 e. Defendant WASHINGTON would send a copy of the false
11 police report to Experian, a credit reporting agency, and request
12 that the information relating to the credit cards and loans that he
13 obtained from financial institutions other than the victim banks be
14 removed from his credit report, including information that
15 negatively impacted his overall FICO score.

16 f. Once Experian removed this information from
17 defendant WASHINGTON's credit report, defendant WASHINGTON would
18 submit applications for new credit cards to the victim banks using
19 his personal identifying information, including, among other things,
20 his name, address, date of birth, and social security number.

21 g. The victim banks would use defendant WASHINGTON's
22 personal identifying information to, among other things, obtain his
23 credit report and FICO score, which were used as a factor in
24 determining whether the credit card applications should be approved,
25 as well as to determine the credit limit and interest rate for the
26 credit cards they issued to defendant WASHINGTON.

27 h. Defendant WASHINGTON would not disclose to the
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1 victim banks all of the outstanding debts he had with the other
2 financial institutions, or the fact that he had negative information
3 relating to the credit cards and loans from other financial
4 institutions removed from his credit report.

5 i. If the victim banks approved defendant
6 WASHINGTON's credit card applications, defendant WASHINGTON would
7 use the new credit cards to purchase goods and services for himself
8 and others, including airline tickets, hotels, dry cleaning, rental
9 cars, and food, as well as for cash advances.

10 j. After making several payments to the victim banks,
11 defendant WASHINGTON would contact Experian and request that
12 information relating to the victim banks, including any outstanding
13 debts he now owed to them, be removed from his credit report.

14 B. THE EXECUTIONS OF THE SCHEME

15 2. On or about the following dates, within the Central
16 District of California and elsewhere, defendant WASHINGTON committed
17 and willfully caused others to commit the following acts, each of
18 which constituted an execution of the fraudulent scheme:

COUNT	DATE	EXECUTIONS OF THE SCHEME
ONE	10/19/07	Defendant WASHINGTON submitted an application for a Visa credit card to First City Credit Union.
TWO	7/22/09	Defendant WASHINGTON submitted an application for a Visa credit card to Farmers and Merchants Bank.
THREE	8/04/09	Defendant WASHINGTON submitted an application for a Visa credit card to LA Financial Credit Union.

COUNT FOUR

[18 U.S.C. § 1014]

On or about October 19, 2007, in Los Angeles County, within the Central District of California, and elsewhere, defendant CARL EDWARD WASHINGTON ("WASHINGTON") knowingly made a false statement and report for the purpose of influencing the actions of First City Credit Union in connection with an application, commitment, and loan in that defendant WASHINGTON falsely stated on a Visa credit card application that he did not have any obligations to creditors other than those listed on the application, when in truth and in fact, as defendant WASHINGTON then well knew, he had obligations to creditors in addition to those listed on the application, including obligations to creditors American Express and Chase Bank.

COUNT FIVE

[18 U.S.C. § 1014]

On or about July 27, 2009, in Los Angeles County, within the Central District of California, and elsewhere, defendant CARL EDWARD WASHINGTON ("WASHINGTON") knowingly made a false statement and report to Experian, a credit reporting agency, for the purpose of influencing the actions of Farmers and Merchants Bank in connection with an application, commitment, and loan in that defendant WASHINGTON falsely reported to Experian that the information listed on his credit report pertaining to Mid-Cities Financial Credit Union was the result of identity theft, or words to that effect, knowing that this representation would cause Experian to remove the information regarding Mid-Cities Financial Credit Union from his Experian credit report, and that, in turn, Experian would provide the revised credit report to Farmers and Merchants Bank, when in truth and in fact, as defendant WASHINGTON then well knew, the information pertaining to Mid-Cities Financial Credit Union that appeared on defendant WASHINGTON's credit report was not the result of identity theft and defendant WASHINGTON had himself opened and used the Mid-Cities Financial Credit Union account.

COUNT SIX

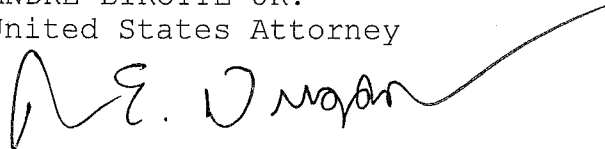
[18 U.S.C. § 1014]

On or about August 4, 2009, in Los Angeles County, within the Central District of California, and elsewhere, defendant CARL EDWARD WASHINGTON ("WASHINGTON") knowingly made a false statement and report for the purpose of influencing the action of LA Financial Credit Union in connection with an application, commitment, and loan in that defendant WASHINGTON falsely indicated on his consumer loan application that he did not have any outstanding debts, when in truth and in fact, as defendant WASHINGTON then well knew, he did have outstanding debts, including outstanding debts to creditors American Express, Chase Bank, Mid-Cities Financial Credit Union, and First City Credit Union.

A TRUE BILL

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Foreperson

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