

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
**11-80008-CR-RYSKAMP/HOPKINS**

CASE NO. \_\_\_\_\_  
18 U.S.C. §1349

UNITED STATES OF AMERICA,

vs.

GARY GROSS,

Defendant.

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**INFORMATION**

The United States Attorney charges that:

**GENERAL ALLEGATIONS**

At all times relevant to this Information:

1. Palm Beach Business Consultants, Inc. (PBBC) was a business incorporated in the state of Florida and located in Boca Raton, Florida. PBBC provided assistance to businesses and individuals seeking personal and business lines of credit.

2. Wachovia Bank, N.A. (now known as Wells Fargo Bank, N.A.), and Regions Bank were financial institutions whose accounts were insured by the Federal Deposit Insurance Corporation. These banks provided personal and business lines of credit to qualified borrowers.

**COUNT 1**

(Conspiracy to Commit Bank Fraud)

1. The allegations contained in paragraphs 1 and 2 of the General Allegations section of this Information are realleged and incorporated as though fully set forth herein.

2. From in or about August 2007, through in or about August 2009, in Palm Beach and Broward Counties, in the Southern District of Florida, and elsewhere, the defendant,

**GARY GROSS,**

did knowingly and willfully combine, conspire, confederate and agree with others known and unknown to the United States Attorney, to execute, and cause the execution of, a scheme and artifice to defraud financial institutions, that is, Wachovia Bank, N.A. and Regions Bank, and to obtain any of the moneys, funds, assets and other property owned by, and under the custody and control of said financial institutions, by means of materially false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Sections 1344 and 2.

**PURPOSE OF THE CONSPIRACY**

3. It was the purpose and object of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by (a) preparing and submitting to financial institutions false and fraudulent lines of credit applications on behalf of PBBC borrowers, (b) causing said false and fraudulent loan applications to be processed and approved, and (c) receiving fraudulently obtained loan proceeds from financial institutions for their personal use and benefit.

**MANNER AND MEANS OF THE CONSPIRACY**

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, but were not limited to, the following:

4. A co-conspirator established PBBC to assist businesses and individuals with obtaining personal and business lines of credit. To induce clients to use PBBC's services, a co-conspirator represented that he had connections with numerous bankers who could assist him in getting PBBC clients up to \$300,000 in lines of credit. To take advantage of PBBC's services, the clients were

required to pay a co-conspirator a fee usually ranging from \$12,500 to \$25,000.

5. The defendant, like most of the clients, did not have sufficient income, credit scores, and/or collateral to qualify for legitimate loans or lines of credit. Notwithstanding this, a co-conspirator at PBBC assured the defendant that PBBC could get lines of credit by manipulating the financial information used in the line of credit applications so that clients appeared to be qualified, when in fact they were not.

6. A co-conspirator hired several employees who were responsible for preparing the fraudulent credit applications for PBBC clients. These co-conspirators prepared fraudulent applications in which they falsely reported the client's income and, in many instances, included false and fraudulent financial documents, including false tax returns, false pay stubs, false balance sheets and false income statements. The fraudulent application packages were then submitted to local banks, including Wachovia Bank, N.A., and Regions Bank.

7. In most instances, the fraudulent line of credit applications were in the name of the client or his business. However, if the client had a friend or relative with good credit or available collateral, the PBBC employee would sometimes use the name of the friend or relative or a business owned by the friend or relative on the fraudulent application. In several instances, this was done without the knowledge or consent of the friend or relative. On other occasions, a co-conspirator would arrange to have an inactive corporation with a good credit history placed in the name of the client and used on the fraudulent application.

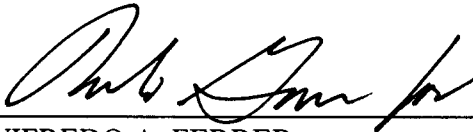
8. A co-conspirator had arrangements with numerous bank officers who would facilitate the processing of the fraudulent line of credit applications. In return, a co-conspirator would give the bank officers a cash kickback or American Express gift card, or other means of remuneration. In

most instances, the fraudulent line of credit applications were approved by the bank with little scrutiny of the underlying financial documents; however, in some instances, the fraudulent credit packages were detected and declined by the bank.

9. When the fraudulent lines of credit were approved by the banks, the clients would withdraw funds against the lines of credit, causing substantial losses to the banks.

10. Pursuant to the fraudulent scheme, the defendant obtained lines of credit from financial institutions totaling about \$213,000.

All in violation of Title 18, United States Code, Section 1349.



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WIFREDO A. FERRER  
UNITED STATES ATTORNEY



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ROLANDO GARCIA  
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES OF AMERICA

CASE NO.

11-80008-CR-BUSKAMP/HOPKINS

vs.

**CERTIFICATE OF TRIAL ATTORNEY\***

GARY GROSS,

Defendant.

**Superseding Case Information:**

Court Division: (Select One)

New Defendant(s) Yes  No   
Number of New Defendants \_\_\_\_\_  
Total number of counts \_\_\_\_\_

Miami  Key West  
 FTL  WPB  FTP

I do hereby certify that:

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.
- Interpreter: (Yes or No) No  
List language and/or dialect \_\_\_\_\_
- This case will take 3 days for the parties to try.
- Please check appropriate category and type of offense listed below:

(Check only one)	(Check only one)	
I 0 to 5 days <input checked="" type="checkbox"/>	Petty _____	
II 6 to 10 days _____	Minor _____	
III 11 to 20 days _____	Misdem. _____	
IV 21 to 60 days _____	Felony <input checked="" type="checkbox"/>	
V 61 days and over _____		

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes: Judge: \_\_\_\_\_ Case No. \_\_\_\_\_  
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) No

If yes: Magistrate Case No. \_\_\_\_\_  
Related Miscellaneous numbers: \_\_\_\_\_  
Defendant(s) in federal custody as of \_\_\_\_\_  
Defendant(s) in state custody as of \_\_\_\_\_  
Rule 20 from the \_\_\_\_\_ District of \_\_\_\_\_

Is this a potential death penalty case? (Yes or No) \_\_\_\_\_

- Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003?  Yes  No
- Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007?  Yes  No

  
 \_\_\_\_\_  
 ROLANDO GARCIA  
 ASSISTANT UNITED STATES ATTORNEY  
 Court No. 763012

\*Penalty Sheet(s) attached

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: GARY GROSS

Case No: 11-80008-CR-BYSKAMP/HOPKINS

Count #: 1

Conspiracy to commit bank fraud.

18 U.S.C. § 1349

\* **Max. Penalty:** Up to 30 years' imprisonment; \$1,000,000 fine;  
5 years supervised release

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**\*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

CASE NUMBER: 11-80008-CR-BUSKAMP/HOPKINS

BOND RECOMMENDATION

DEFENDANT: GARY GROSS

PERSONAL SURETY - \$50,000.00

(Surety) (Recognizance) (Corp. Surety) (Cash) (Jail)  
(CSB) (No Bond) (Warrant) (Summons) (Marshal's Custody)

By:   
AUSA: ROLANDO GARCIA

Last Known Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

What Facility: \_\_\_\_\_

\_\_\_\_\_

Agent(s): S/A WALDO LONGA, FBI  
(FBI) (SECRET SERVICE) (DEA) (IRS) (ICE) (**OTHER**)  
505 SOUTH FLAGLER DRIVE, SUITE 500  
WEST PALM BEACH, FL 33401