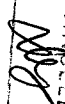


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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

**07 01104**

UNITED STATES OF AMERICA, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
MARK FORREST COHN, )  
 )  
Defendant. )

No. CR 07-  
I N F O R M A T I O N  
[18 U.S.C. § 371: Conspiracy;  
18 U.S.C. § 1343: Wire Fraud; 18  
U.S.C. § 2(b): Causing an Act to  
be Done]

The United States Attorney charges:

COUNT ONE

[18 U.S.C. §§ 371, 2(b)]

A. OBJECT OF THE CONSPIRACY

1. Beginning no later than December 1999, and continuing through at least October 2002, in Los Angeles County, within the Central District of California, and elsewhere, defendant MARK FORREST COHN ("COHN") and others known and unknown to the United States Attorney, unlawfully combined, conspired, confederated, and agreed to commit the following offenses against the United States:

1 a. To violate Title 18, United States Code, Section  
2 1341 (Mail Fraud), by knowingly and with the intent to defraud  
3 executing and participating in a scheme to defraud investors as  
4 to a material matter, and to obtain money and property by means  
5 of material false and fraudulent pretenses, representations, and  
6 promises, and the concealment of material facts, by use of the  
7 mail and private and commercial interstate carriers;

8 b. To violate Title 18, United States Code, Section  
9 1343 (Wire Fraud), by knowingly and with the intent to defraud  
10 executing and participating in a scheme to defraud investors as  
11 to a material matter, and to obtain money and property by means  
12 of material false and fraudulent pretenses, representations, and  
13 promises, and the concealment of material facts, by use of  
14 interstate wires; and

15 c. To violate Title 18, United States Code, Section  
16 1956(a)(1)(A)(i) (Promotional Money Laundering), by knowingly  
17 conducting financial transactions involving the proceeds of  
18 specified unlawful activity, namely, mail fraud and wire fraud,  
19 in violation of Title 18, United States Code, Sections 1341 and  
20 1343, knowing that the property involved in the financial  
21 transactions represented the proceeds of some form of unlawful  
22 activity, and with the intent to promote the carrying on of such  
23 specified unlawful activity.

24 B. MANNER AND MEANS OF THE CONSPIRACY

25 2. Defendant COHN and his co-conspirators, together with  
26 others known and unknown to the United States Attorney, in Los  
27 Angeles County, within the Central District of California,  
28 accomplished and attempted to accomplish the objects of the

1 conspiracy in the following manner and by the following means,  
2 among others:

3 a. From approximately December 1999 through October  
4 2002, in Los Angeles County, within the Central District of  
5 California, defendant COHN and his co-conspirators raised  
6 approximately \$45 million from investors in Four Star Financial  
7 Services ("Four Star") for what were purported to be "telephone  
8 arbitrage" investments, numbered Arbitrages 1-8.

9 b. Some of these invested funds were wired from  
10 accounts outside California to accounts inside California or  
11 mailed by investors to persons and businesses controlled by  
12 defendant, including Four Star and FSF, based on material  
13 misrepresentations made or caused to be made by defendant COHN  
14 and his co-conspirators to such investors.

15 c. Among other things, defendant COHN and his co-  
16 conspirators knowingly and falsely represented to investors in  
17 Arbitrages 1-8 by e-mail, telephone, and use of the mails that  
18 invested funds would be used to purchase telephone arbitrage  
19 contracts when in truth and fact defendant and his co-  
20 conspirators then and there well knew that invested funds would  
21 not be used for that purpose.

22 d. This false representation regarding how invested  
23 funds would be used was material to investors.

24 e. In addition, defendant COHN and his co-  
25 conspirators used proceeds (i.e., investors' funds), which  
26 defendant knew had been obtained through wire fraud and mail  
27 fraud, to conduct financial transactions to promote the carrying  
28 on of additional wire fraud and mail fraud.

1 f. The total amount of investor losses associated  
2 with Arbitrages 1-8 is approximately \$19,733,956.

3 C. OVERT ACTS

4 3. In furtherance of the conspiracy and to accomplish the  
5 object of the conspiracy, defendant COHN committed the following  
6 overt acts within the Central District of California to defraud  
7 investors in Four Star:

8 Overt Act 1: On or about October 12, 2001, defendant  
9 COHN caused an investor, F.L.T., to wire \$2,000,000 from his  
10 Bankers Trust Company account in New York (Account # xxx611) to  
11 an associate's (M.A.W.L.T.'s) Citibank account (Account  
12 # xxxxx0060) in Los Angeles, California, based on COHN's promise  
13 that the \$2,000,000 would be used to purchase telephone arbitrage  
14 contracts as part of Arbitrage 5.

15 Overt Act 2: On or about October 15, 2001, defendant  
16 COHN caused to be wired \$1,998,000 from M.A.W.L.T.'s Citibank  
17 account to another associate's (L.A.C.E.'s) bank account (Branch  
18 Banking & Trust Bank Account # xxxxx4056).

19 Overt Act 3: On or about October 15, 2001, defendant  
20 COHN caused a \$1,995,000 wire to be sent from L.A.C.E.'s bank  
21 account to FSF, LLC's bank account (Comerica Account  
22 # xxxxxx8977).

23 Overt Act 4: In or about October, 2001, defendant COHN  
24 caused the \$1,995,000 wired from L.A.C.E.'s bank account to FSF,  
25 LLC's Comerica bank account, to be falsely classified as  
26 Arbitrage 4 income on Four Star's ledger and reported to  
27 investors as income.

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COUNT II

[18 U.S.C. §§ 1343, 2(b)]

4. The United States Attorney hereby incorporates by reference and re-alleges paragraphs 1 through 3 of this Information, as though fully set forth herein.

A. SUMMARY OF THE WIRE FRAUD

5. On or about October 12, 2001, defendant MARK FORREST COHN and others known and unknown to the United States Attorney, in Los Angeles County, within the Central District of California, committed wire fraud in violation of Title 18, United States Code, Section 1343, in that defendant COHN knowingly devised, participated in, and executed a scheme to defraud investors in Four Star Financial Services, and to obtain money by means of false and fraudulent pretenses, representations, and promises, and the concealment of material facts, which scheme is described in paragraphs 1 through 3 above.

B. USE OF THE WIRES

6. On or about October 12, 2001, in Los Angeles County, within the Central District of California, and elsewhere, defendant COHN, in furtherance of the scheme described in paragraphs 1 through 3 above, knowingly caused an investor, F.L.T., to wire \$2,000,000 from his Bankers Trust Company account in New York (Account # xxx611) to M.A.W.L.T.'s Citibank account (Account # xxxxx0060) in Los Angeles, California, based on COHN's

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1 false promise that the \$2,000,000 would be used to purchase  
2 telephone arbitrage contracts as part of Arbitrage 5.  
3

4 GEORGE S. CARDONA  
5 United States Attorney

6 *David L. Goodman, Deputy Chief,*

7 *Criminal Division, FOR:*

8 THOMAS P. O'BRIEN  
9 Assistant United States Attorney  
10 Chief, Criminal Division

11 EVAN J. DAVIS  
12 Assistant United States Attorney  
13 Tax Division  
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