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U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
SANTA ANA

BY dy

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

October 2007 Grand Jury

UNITED STATES OF AMERICA, )  
 )  
Plaintiff, )  
 )  
v. )  
 )  
MICHAEL SCOTT GRAYSON )  
and CHANCE WEAVER, )  
 )  
Defendants. )

SA SC 08 - 00279  
I N D I C T M E N T  
[18 U.S.C. § 1343: Wire Fraud]

The Grand Jury charges:

COUNTS ONE THROUGH ELEVEN

[18 U.S.C. § 1343]

I. INTRODUCTION

At all times relevant to this Indictment:

1. Defendant MICHAEL SCOTT GRAYSON owned and operated Axis Communications, a purported equipment vendor, located in Tarzana, California.

1       2. Defendant CHANCE WEAVER owned and operated Platinum PC,  
2 a computer retailer and purported equipment vendor, located in  
3 Irvine, California.

4       3. Defendants GRAYSON and WEAVER partnered with Brickbanc  
5 Capital ("Brickbanc"), also known as Louiscifer Holdings, Channel  
6 Equities, Geneva Roth Holdings, Heat Rock, and Tech Capital  
7 Holdings, located in Orange County, California.

8 II. THE SCHEME TO DEFRAUD

9       4. Beginning in or around June 2004 and continuing until  
10 at least late 2005, in Orange and Los Angeles Counties, within  
11 the Central District of California, and elsewhere, defendants  
12 GRAYSON, WEAVER, and others known and unknown to the Grand Jury,  
13 knowingly and with the intent to defraud, devised, executed, and  
14 participated in a scheme to defraud funding sources as to  
15 material matters, and to obtain funds from funding sources by  
16 means of materially false and fraudulent pretenses,  
17 representations, and promises, and the non-disclosure and  
18 concealment of material facts, in connection with a fraudulent  
19 equipment lease scheme.

20       5. The fraudulent equipment lease scheme was designed to  
21 operate and did operate, as follows:

22           a. Brickbanc advertised working capital loans for  
23 small businesses who would not qualify for such loans through  
24 financial institutions.

25           b. Brickbanc communicated with the small businesses  
26 (the "lessees") that responded to the advertising, and reiterated  
27 that Brickbanc could obtain working capital loans for them.

1 Brickbanc told the lessees that they would get a working capital  
2 loan, but would sometimes have to accept computer equipment.

3 c. Once the lessees agreed to use Brickbanc's  
4 services, Brickbanc referred the transactions to Axis  
5 Communications and Platinum PC.

6 d. Defendants GRAYSON and WEAVER used false statements  
7 and promises to induce funding sources to provide equipment  
8 leases to the lessees.

9 e. At the direction of defendant GRAYSON, Axis  
10 Communications caused false and misleading invoices to be  
11 submitted to funding sources to make it appear as though the  
12 lessees were receiving computer equipment worth a substantial  
13 amount of money. These invoices were designed to cause the  
14 funding sources to release funds for non-existent and over-valued  
15 equipment. Axis Communications, in turn, provided computers to  
16 the lessees that were worth substantially less than what was  
17 represented to the funding sources and, in some instances, no  
18 equipment at all was provided to the lessees.

19 f. At the direction of defendant WEAVER, Platinum PC  
20 caused false and misleading invoices to be submitted to funding  
21 sources to make it appear as though the lessees were receiving  
22 computer equipment worth a substantial amount of money. These  
23 invoices were designed to cause the funding sources to release  
24 funds for non-existent and over-valued equipment. Platinum PC,  
25 in turn, provided computers to the lessees that were worth  
26 substantially less than what was represented to the funding  
27 sources and, in some instances, Platinum PC did not provide all  
28 the equipment represented in the invoices.

1           g. Before funding the equipment leases, the funding  
2 sources contacted the lessees to confirm that the lessees, in  
3 fact, had received, installed, and were using the equipment  
4 provided by Axis Communications and Platinum PC. With the  
5 knowledge of defendants GRAYSON and WEAVER, the lessees were  
6 instructed to provide false information to the funding sources in  
7 response to these questions.

8           h. Based upon the false invoices provided by  
9 defendants GRAYSON and WEAVER and false information received from  
10 the lessees, the funding sources approved the lease applications  
11 and transferred funds to Axis Communications and Platinum PC for  
12 the purported equipment leases.

13           i. Defendants GRAYSON and WEAVER took the funds  
14 received from the funding sources, deducted expenses and  
15 commissions, and caused the remaining funds to be transferred to  
16 accounts controlled by Brickbanc who sent the majority of the  
17 funds to the lessees as working capital loans.

18           6. In order to execute the scheme, defendants WEAVER and  
19 GRAYSON made and caused to be made false statements and false  
20 promises and caused the non-disclosure and concealment of  
21 material facts to funding sources, including, without limitation,  
22 the following:

23           a. Defendant GRAYSON and Axis Communications worked  
24 with small businesses to obtain financing from funding sources to  
25 lease computer equipment.

26           b. Defendant WEAVER and Platinum PC worked with small  
27 businesses to obtain financing from funding sources to lease  
28 computer equipment.

1 c. Defendant GRAYSON and Axis Communications provided  
2 sales invoices to the funding sources and delivered to lessees  
3 the products described in the invoices.

4 d. Defendant WEAVER and Platinum provided sales  
5 invoices to the funding sources and delivered to lessees the  
6 products described in the invoices.

7 e. At defendants GRAYSON's and WEAVER's direction,  
8 the lessees provided information to funding sources concerning  
9 the receipt, installation, and use of the computer equipment  
10 allegedly leased from Axis Communications and Platinum PC.

11 7. At the time defendants GRAYSON and WEAVER made the  
12 false statements and false promises, and caused them to be made,  
13 they knew that such statements and promises were false, in that:

14 a. Brickbanc obtained working capital loans for small  
15 businesses disguised as fraudulent equipment leases.

16 b. Brickbanc, Axis Communications, and Platinum PC  
17 worked with small businesses to obtain working capital loans not  
18 equipment leases.

19 c. Axis Communications and Platinum PC submitted false  
20 invoices to the funding sources describing equipment to be leased  
21 by the lessee that was over-valued and that, in some instances,  
22 was never provided to the lessee at all.

23 d. With the knowledge of defendants GRAYSON and  
24 WEAVER, the lessees were instructed to falsely represent to the  
25 funding sources that the lessees had received and used the  
26 equipment described in the invoices submitted by Axis  
27 Communications and Platinum PC.

1 e. With the knowledge of defendants GRAYSON and  
 2 WEAVER, the lessees were instructed to hide from the funding  
 3 sources the fact that they were receiving working capital loans.

4 f. Defendants GRAYSON and WEAVER did not inform the  
 5 funding sources that the lease proceeds were partially used to  
 6 provide working capital loans to lessees.

7 8. By devising, executing, and participating in the  
 8 fraudulent equipment lease scheme, defendants GRAYSON and WEAVER  
 9 caused the funding sources to lose millions of dollars when the  
 10 lessees defaulted on the equipment lease agreements and the  
 11 equipment securing the leases were worthless.

### 12 III. THE WIRINGS

13 9. On or about the dates listed below, in the Central  
 14 District of California, and elsewhere, defendants GRAYSON and  
 15 WEAVER, for the purpose of executing the above-described scheme  
 16 to defraud, caused the transmission of the following items by  
 17 means of wire communication in interstate commerce:

18 <u>COUNT</u>	<u>DATE</u>	<u>DEFENDANT</u>	<u>ITEM WIRED</u>
19 ONE	8/27/04	GRAYSON	A Credit Application sent by 20 facsimile to American Express Business Finance Corporation in Houston, TX from Brickbanc 21 in Costa Mesa, CA in connection with a 9 Alarm 1 22 equipment lease
23 TWO	9/23/04	GRAYSON	An Equipment Lease Agreement sent by facsimile to 24 CitiCapital in West Chester, PA from the Central District 25 of California in connection with a Silver Industries 26 equipment lease

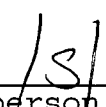
1	THREE	9/28/04	GRAYSON	A Master Lease Agreement sent by facsimile to American Express Business Finance Corporation in Houston, TX from the Central District of California in connection with a Silver Industries equipment lease
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4				
5	FOUR	10/22/04	GRAYSON	An Equipment Lease Agreement sent by facsimile to CitiCapital in West Chester, PA from the Central District of California in connection with a Silver Industries equipment lease
6				
7				
8				
9	FIVE	11/17/04	GRAYSON	An Equipment Lease Agreement sent by facsimile to CitiCapital in West Chester, PA from the Central District of California in connection with a Tomato Auto Sales equipment lease
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11				
12				
13				
14	SIX	1/13/05	WEAVER	A \$98,050 payment wired from Citibank in Dallas, TX to Platinum PC's Wells Fargo Bank account in Irvine, CA in connection with a 4Men Electric, Inc. equipment lease
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16				
17				
18	SEVEN	1/27/05	WEAVER	A Delivery and Acceptance Certificate sent by facsimile to CitiCapital in West Chester, PA from Brickbanc in Costa Mesa, CA in connection with a Bill Hauskins Motors Inc. equipment lease
19				
20				
21				
22	EIGHT	2/4/05	WEAVER	An Equipment Lease Agreement sent by facsimile to Kirk M. in Orange County, CA from Jim H. at Bill Hauskins Motors Inc. in Glenwood Springs, CO
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24				
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1 NINE 3/8/05 WEAVER A Customer Application sent by  
2 facsimile to Wells Fargo  
3 Financial Leasing in  
4 Des Moines, IA from the  
5 Central District of California  
6 in connection with a Bill  
7 Hauskins Motor Inc. equipment  
8 lease

9 TEN 4/14/05 WEAVER A \$134,090 payment wired from  
10 Citibank in Mahwah, New Jersey  
11 to Platinum PC's Wells Fargo  
12 Bank account in Irvine, CA in  
13 connection with The Flash  
14 equipment lease

15 ELEVEN 4/14/05 WEAVER A \$129,850 payment wired from  
16 Citibank in Mahwah, New Jersey  
17 to Platinum PC's Wells Fargo  
18 Bank account in Irvine, CA in  
19 connection with the World Wide  
20 Gymnastics equipment lease

21 A TRUE BILL

22   
23 \_\_\_\_\_  
24 Foreperson

25 THOMAS P. O'BRIEN  
26 United States Attorney

27 CHRISTINE C. EWELL  
28 Assistant United States Attorney  
Chief, Criminal Division

  
23 CARMEN R. LUEGE  
24 Assistant United States Attorney  
25 Acting Chief, Santa Ana Branch Office

26 JENNIFER L. WAIER  
27 Assistant United States Attorney  
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