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CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

DEPUTY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

January 2006 Grand Jury

06 CR 2252 W

UNITED STATES OF AMERICA,) Criminal Case No. _____
Plaintiff,) I N D I C T M E N T
v.) Title 18, U.S.C., Sec. 152 -
ROLAND C. COLTON,) Bankruptcy Fraud
Defendant.)

The grand jury charges:

Count 1

On or about October 11, 2001, within the Southern District of California, defendant ROLAND C. COLTON did knowingly and fraudulently make a false declaration and statement, under penalty of perjury, of a material matter in relation to a case under Title 11, United States Code, that is In Re: Roland C. Colton, Case No. 01-10562-M7, United States Bankruptcy Court for the Southern District of California, in that the defendant falsely stated in Schedule A and Schedule B of his voluntary petition for Chapter 7 bankruptcy relief that he had no legal, equitable, or future interest in real property and certain personal property, including all property owned as community property,

GCA:nlv:San Diego
10/17/06

1 or in which he has a life estate, and in any property in which he held
2 rights and powers exercisable for his own benefit, and did not hold
3 such property for someone else, when, in truth and in fact, as
4 defendant ROLAND C. COLTON then well knew, defendant COLTON had legal
5 and equitable title and community property interests and other
6 interests in which he held rights and powers exercisable for his own
7 benefit, in real and personal property located in France and Laguna
8 Niguel, California, and in personal property, such as cash and
9 financial accounts in the United States and in France, all worth in
10 excess of \$1.5 million; in violation of Title 18, United States Code,
11 Section 152(3).

12 Count 2

13 On or about January 15, 2002, within the Southern District of
14 California, defendant ROLAND C. COLTON, having taken an oath that he
15 would testify truthfully, and while testifying at a Rule 2004
16 examination, a proceeding in relation to a case under Title 11, United
17 States Code, that is In Re: Roland C. Colton, Case No. 01-10562-M7,
18 United States Bankruptcy Court for the Southern District of
19 California, did knowingly and fraudulently give false and material
20 testimony in the following manner:

21 Q: Are there any changes to the schedules of which you
22 are presently aware?

23 A: I think the one my attorney referred to we need to
24 make.

25 Q: Any other changes?

26 A: Not that I can think of.

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1 Q: So other than amending the schedules to add the
2 Chevron royalty interest, the schedules are true and
3 correct to your knowledge?

4 A: I think so.

5 Q: And they accurately identify all of your assets and
6 liabilities other than the Chevron royalty?

7 A: Yes.

8 which testimony was false, as defendant ROLAND C. COLTON then and
9 there well knew, in that defendant COLTON failed to disclose that he
10 had legal and equitable title and community property interests and
11 other interests in which he held rights and powers exercisable for his
12 own benefit, in real and personal property located in France and
13 Laguna Niguel, California, and in personal property, such as cash and
14 financial accounts in the United States and in France; in violation
15 of Title 18, United States Code, Section 152(2).

16 Count 3

17 On or about January 15, 2002, within the Southern District of
18 California, defendant ROLAND C. COLTON, having taken an oath that he
19 would testify truthfully, and while testifying at a Rule 2004
20 examination, a proceeding in relation to a case under Title 11, United
21 States Code, that is In Re: Roland C. Colton, Case No. 01-10562-M7,
22 United States Bankruptcy Court for the Southern District of
23 California, did knowingly and fraudulently give false and material
24 testimony in the following manner:

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1 Q: All right. Sir, we are looking at Exhibit 4, which is
2 your register and statements and checks, and the
3 question pending was are there any other statements or
4 checks of which you are aware that are not in Exhibit
5 4 for the period?

6 A: Not to my knowledge.

7 Q: Okay. Is this the only bank account you maintained
8 personally during the period that is reflected in
9 Exhibit 4?

10 A: I believe so.

11 Q: Okay. Any record that would refresh your recollection
12 to the contrary?

13 A: I can't think of anything.

14 which testimony was false, as defendant ROLAND C. COLTON then and
15 there well knew, in that defendant COLTON failed to disclose that he
16 owned, controlled and personally maintained numerous other bank and
17 financial accounts from September 1, 2000 to October 31, 2001; in
18 violation of Title 18, United States Code, Section 152(2).

19 Count 4

20 On or about January 15, 2002, within the Southern District of
21 California, defendant ROLAND C. COLTON, having taken an oath that he
22 would testify truthfully, and while testifying at a Rule 2004
23 examination, a proceeding in relation to a case under Title 11, United
24 States Code, that is In Re: Roland C. Colton, Case No. 01-10562-M7,
25 United States Bankruptcy Court for the Southern District of
26 California, did knowingly and fraudulently give false and material
27 testimony in the following manner:

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1 Q: Did you contribute anything towards the down payment
2 of the property?

3 A: No.

4 which testimony was false, as defendant ROLAND C. COLTON then and
5 there well knew, in that defendant COLTON provided the buyer of the
6 referred to property at least \$533,500 toward the down payment for the
7 purchase of the property, in violation of Title 18, United States
8 Code, Section 152(2).

9 Count 5

10 On or about August 14, 2002, within the Southern District of
11 California, defendant ROLAND C. COLTON, having taken an oath that he
12 would testify truthfully, and while testifying at a Rule 2004
13 examination, a proceeding in relation to a case under Title 11, United
14 States Code, that is In Re: Roland C. Colton, Case No. 01-10562-M7,
15 United States Bankruptcy Court for the Southern District of
16 California, did knowingly and fraudulently give false and material
17 testimony in the following manner:

18 Q: Do you know if you paid any foreign taxes in 2001?

19 A: I don't believe so.

20 Q: Because I see in 2000 you paid - I don't know, it
21 seems to me like a lot of foreign taxes - about 8500,
22 8600. Do you know what government or country they
23 were paid to?

24 A: I think that's inaccurate.

25 Q: Is your tax return inaccurate or is my
26 characterization of Exhibit A to the tax return -

27 A: I believe the amount paid was not accurate as
28 indicated on the tax return.

1 Q: So you're saying if I look at the tax return I'm going
2 to find a statement that eighty-five, eighty-six in
3 foreign taxes is inaccurate?

4 A: Well, this came up during the previous 2004
5 examination. And when I looked at the information
6 that I transmitted to Mr. Hatch, I think it was \$85.86
7 or whatever the number is.

8 * * *

9 Q: Okay. Here we have Exhibit A, itemized deductions to
10 your 2000 return with the eighty-five, eight-six
11 amount. Is that what you're saying is inaccurate, it
12 should be \$85.86?

13 A: That's correct.

14 which testimony was false, as defendant ROLAND C. COLTON then and
15 there well knew, in that defendant COLTON paid substantially more than
16 stated in the foreign property taxes to the country of France in 2000
17 and 2001; in violation of Title 18, United States Code,
18 Section 152(2).

19 Count 6

20 Beginning on or about October 11, 2001, and continuing up to and
21 including February 10, 2005, within the Southern District of
22 California, defendant ROLAND C. COLTON did knowingly and fraudulently
23 conceal property belonging to the estate of the debtor from creditors
24 and the bankruptcy trustee in relation to a case under Title 11,
25 United States Code, that is In Re: Roland C. Colton, Case No.
26 01-10562-M7, United States Bankruptcy Court for the Southern District
27 of California, which property was material to the bankruptcy
28 proceedings, in that the defendant actively concealed ownership,

1 control and possession of real and personal property in the country
2 of France; in violation of Title 18, United States Code,
3 Section 152(1).

4 Count 7

5 Beginning on or about October 11, 2001, and continuing up to and
6 including February 10, 2005, within the Southern District of
7 California, defendant ROLAND C. COLTON did knowingly and fraudulently
8 conceal property belonging to the estate of the debtor from creditors
9 and the bankruptcy trustee in relation to a case under Title 11,
10 United States Code, that is In Re: Roland C. Colton, Case No.
11 01-10562-M7, United States Bankruptcy Court for the Southern District
12 of California, which property was material to the bankruptcy
13 proceedings, in that the defendant actively concealed ownership,
14 control and possession of numerous financial accounts and transfers
15 of funds to and from such accounts; in violation of Title 18, United
16 States Code, Section 152(1).

17 DATED: October 17, 2006.

18 A TRUE BILL:

19
20 Ellen M. Bach
21 Foreperson

22 CAROL C. - LAM
23 United States Attorney

24 By: George Aguilar
25 GEORGE AGUILAR
26 Assistant U.S. Attorney
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