

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION AT DAYTON**

<b>UNITED STATES OF AMERICA</b>	:	Case No. 3:13-CR-166-WHR
	:	
<b>Plaintiff,</b>	:	<b>PLEA AGREEMENT – GREGORY J.</b>
	:	<b>OLDIGES</b>
<b>v.</b>	:	
	:	
<b>(1) GREGORY J. OLDIGES</b>	:	
<b>(2) JIM HONIOUS</b>	:	
	:	
<b>Defendants.</b>	:	

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The defendant GREGORY J. OLDIGES (“Defendant”) and the United States Attorney’s Office for the Southern District of Ohio (“USAO”) (collectively, “the parties”) agree as follows:

PLEA

1. Defendant will plead guilty to both counts of the two-count Information in this case. Count One of the Information charges Defendant with Conspiracy to Commit: (1) Transporting Illegal Aliens in Furtherance of Illegal Entry and Presence, in violation of 8 U.S.C. § 1324(a)(1)(A)(ii); (2) Encouraging and Inducing Illegal Aliens to Enter and Reside in Violation of Law, in violation of 8 U.S.C. § 1324(a)(1)(A)(iv); (3) False Writing and Document, in violation of 18 U.S.C. § 1001(a)(3); (4) Falsely Representing Numbers as Social Security Numbers, in violation of 42 U.S.C. § 408(a)(7)(B); and (5) Using Means of Identification of Others, in violation of 18 U.S.C. § 1028(a)(7), all in violation of 18 U.S.C. § 371. Count Two of the Information charges Defendant with Conspiracy to Commit Wire Fraud, in violation of

18 U.S.C. § 1343, all in violation of 18 U.S.C. § 1349. Defendant understands the nature of the charges to which he is pleading guilty. Defendant is, in fact, guilty of the offenses charged in Counts One and Two of the Information. The Statement of Facts, which is attached hereto as "Exhibit A" and incorporated herein by reference as though set forth in full, is true and correct and provides a factual basis for Defendant's guilty pleas as required by Rule 11(b)(3) of the Federal Rules of Criminal Procedure, but it does not include all of the facts involved in the offenses to which Defendant is pleading guilty.

STATUTORY PENALTIES AND CONSEQUENCES

2. Defendant understands that the statutory maximum penalties for a violation of:

- 18 U.S.C. 371 (Count One) are: up to five years imprisonment, up to three years of supervised release, and up to a \$250,000 fine;
- 18 U.S.C. § 1349 (Count Two) are: up to twenty years imprisonment, up to three years of supervised release, and up to a \$250,000 fine,

for a total, combined statutory maximum penalty of up to 25 years imprisonment, up to three years of supervised release, and up to a \$500,000 fine. Defendant further understands that, in addition, the District Court has an obligation to impose a special assessment of \$100 on each count of conviction (for a total of \$200), and that it has the authority to order restitution.

3. Defendant understands that supervised release is a period of time following release from imprisonment, during which Defendant will be subject to various conditions. Defendant further understands that if he violates one or more of the conditions of any supervised release imposed, the Court could send Defendant back to prison, with another period of supervised release to follow.

4. Defendant will pay restitution in full to all victims of his crimes. An offense listed in 18 U.S.C. § 3663A(c)(1), specifically, an offense against property, gave rise to this Plea Agreement ( "Plea Agreement" means this document entitled "Plea Agreement - Gregory J. Oldiges," including all of its exhibits and attachments). Defendant understands that pursuant to 18 U.S.C. § 3663A, the Court must order Defendant to make restitution to the victims of his offenses, unless it finds from facts on the record that one or both of the circumstances described in 18 U.S.C. §§ 3663A(c)(3)(A)-(B) applies. Neither circumstance applies.

#### SENTENCING AGREEMENT

5. Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the following sentencing range (hereafter, "Agreed Sentencing Range") is the appropriate disposition of this case:

- at least 24 months up to 57 months imprisonment on each count of conviction, to run concurrently with each other;
- up to 3 years of supervised release on each count of conviction, to run concurrently with each other, subject to all mandatory conditions that the Court must impose and to whatever discretionary conditions the Court may impose;
- up to a \$100,000 fine, subject to whatever conditions and payment terms the Court may impose;
- restitution in an amount to be determined by the Court, subject to whatever conditions and payment terms the Court may impose;
- forfeiture as set forth in ¶¶ 15-26 below;

- \$100 special assessment on each count of conviction, for a total of \$200 in special assessments.

6. Defendant understands that notwithstanding the foregoing Agreed Sentencing Range, the Court may order the U.S. Probation Office to conduct a pre-sentence investigation, calculate an advisory Sentencing Guidelines range, and prepare a pre-sentence investigation report. The Court may accept this Plea Agreement, reject it, or defer a decision until the Court has reviewed the pre-sentence investigation report. Defendant further understands that if the Court accepts this Plea Agreement, the Court will be bound by the Agreed Sentencing Range, and a sentence within the Agreed Sentencing Range will be included in the judgment of conviction. If the Court rejects this Plea Agreement, Defendant will have an opportunity to withdraw his guilty pleas. If the Court rejects this Plea Agreement, and if Defendant's guilty pleas in this case are not withdrawn, the Court may dispose of this case less favorably toward Defendant than this Plea Agreement contemplates, including by imposing up to the maximum statutory penalties.

#### SENTENCING GUIDELINES RECOMMENDATIONS

7. Defendant further understands that notwithstanding the foregoing Agreed Sentencing Range, the Court in determining a sentence has an obligation to calculate the applicable advisory Sentencing Guidelines range and to consider that range, possible departures under the Sentencing Guidelines, and other sentencing factors under 18 U.S.C. § 3553(a). For purposes of calculating an advisory Sentencing Guidelines range, and pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the parties recommend that the following provisions of the Sentencing Guidelines apply:

Count One

<u>Base Offense Level</u>	<u>Sentencing Guideline Provision</u>
6	U.S.S.G. § 2B1.1(a)(2)
+18	U.S.S.G. § 2B1.1(b)(1)(J) (loss more than \$2.5 million but not more than \$7 million)
+4	U.S.S.G. § 3B1.1(a) (organizer/leader – more than 5 participants or otherwise extensive)

Count Two

<u>Base Offense Level</u>	<u>Sentencing Guideline Provision</u>
7	U.S.S.G. § 2B1.1(a)(1)(B)
+10	U.S.S.G. § 2B1.1(b)(1)(F) (loss more than \$120,000 but not more than \$200,000)
+4	U.S.S.G. § 3B1.1(a) (organizer/leader – more than 5 participants or otherwise extensive)

The parties further recommend that the grouping rules set forth in U.S.S.G. §§ 3D1.1-3D1.5 be applied so as to “group” Counts One and Two into a single “Group of Closely Related Counts.”

The parties further recommend that if Defendant (1) complies fully with all of his obligations under this Plea Agreement, and (2) demonstrates an acceptance of responsibility for his offenses up to and including the time of sentencing, the downward adjustments set forth in U.S.S.G.

§§ 3E1.1(a) and (b) will apply. Finally, the parties recommend that no other specific offense characteristics or adjustments, or departures, apply. Defendant understands that because the parties’ Sentencing Guidelines recommendations are made pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, the recommendations do not bind the Court. The Court will determine (1) the applicable advisory Sentencing Guidelines range, (2) whether to accept this Plea Agreement and thereby be bound by the Agreed Sentencing Range, (3) the ultimate

sentence within the Agreed Sentencing Range in the event the Court accepts this Plea Agreement, and (4) the ultimate sentence within the statutory range of penalties in the event the Court rejects this Plea Agreement, affords Defendant the opportunity to withdraw his guilty pleas, but Defendant's guilty pleas in this case are not withdrawn. For purposes of advocating for acceptance by the Court of this Plea Agreement and for a sentence within the Agreed Sentencing Range (or for a sentence within the statutory range of penalties in the event the Court rejects this Plea Agreement, affords Defendant the opportunity to withdraw his guilty pleas, but Defendant's guilty pleas in this case are not withdrawn), and subject to the parties' agreed-upon Sentencing Guidelines recommendations and the attached Statement of Facts, the parties reserve the right to offer evidence and argument regarding the sentencing factors set forth in 18 U.S.C. § 3553(a).

WAIVER OF TRIAL AND GRAND JURY RIGHTS;

ACKNOWLEDGMENT OF RIGHT TO COUNSEL AND CONSEQUENCES OF OATH

8. Defendant understands that before the Court accepts his guilty pleas, the Court must address Defendant personally in open court, at which time the Court may place Defendant under oath, which could provide a basis for a later prosecution of Defendant for perjury or false statements if he does not tell the truth.

9. Defendant understands that he has the following rights:

- to plead not guilty, or having already so pleaded, to persist in that plea;
- to a jury trial;
- to be represented by counsel – and if necessary have the court appoint counsel – at trial;

- at trial, to confront and cross-examine adverse witnesses, to be protected from compelled self-incrimination, to testify and present evidence, and to compel the attendance of witnesses.

Defendant further understands that if the Court accepts his guilty pleas pursuant to this Plea Agreement, there will be no trial and he waives these trial rights.

10. Defendant further understands that he has the right to be represented by counsel—and if necessary have a court appoint counsel—at every other stage of these proceedings.

11. Defendant further understands that he has the right to be charged by way of an Indictment returned by a grand jury. Defendant waives this right and agrees to be charged in this case by way of an Information and to execute a court-form further evidencing this grand jury waiver if called upon to do so.

#### DEFENDANT'S ADDITIONAL OBLIGATIONS

12. Defendant will pay the \$200 in total mandatory special assessments at or before the time of sentencing.

13. Defendant is not a "prevailing party" as these terms are used in the Hyde Amendment (set forth as a statutory note under 18 U.S.C. § 3006A)) and waives any and all rights he may have under that statute.

14. Defendant waives all defenses based on the statute of limitations and the Speedy Trial Act as to any charges that were not already time barred as of the date of the filing of the Information in this case.

#### FORFEITURE

15. The assets described below in ¶ 18 are subject to forfeiture and shall be forfeited to

the United States.

16. The United States may, in its sole discretion, effect the forfeiture of the assets described below in ¶ 18, through this criminal case or the through the following civil forfeiture actions: (1) United States v. Real Property Known as 354 Narrows Trace, Case No. 3:13-cv-111-TSB; (2) United States v. Account #\*\*\*\*8949, JPMORGAN CHASE BANK, et al., Case No. 3:13-cv-256-WHR.

17. Defendant will execute and comply with the terms of the Global Settlement Agreement attached hereto as Exhibit B, which terms are hereby incorporated by reference. Upon the making of Defendant's guilty pleas pursuant to this Plea Agreement, the United States will file the Agreed Orders attached as Exhibits 1 and 2 to the Global Settlement Agreement, in the following civil forfeiture actions: (1) United States v. Real Property Known as 354 Narrows Trace, Case No. 3:13-cv-111-TSB; (2) United States v. Account #\*\*\*\*8949, JPMORGAN CHASE BANK, et al., Case No. 3:13-cv-256-WHR, and those Agreed Orders order the forfeiture of all of the defendant assets pursuant to 18 U.S.C. §§ 981(a)(1)(A) and (C) and 8 U.S.C. § 1324(b).

18. Defendant further agrees to the criminal forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c); 18 U.S.C. § 982(a)(2)(b); 18 U.S.C. § 982(a)(6); and 8 U.S.C. § 1324(b) and 28 U.S.C. § 2461(c), of the following assets:

a. The Real Property, including all right title and interest, in the whole of any lot or tract of land and any appurtenances or improvements, including mobile homes, commonly known as 354 Narrows Trace, Beavercreek, Ohio, 45385, named as the defendant in United States v. Real Property Known as 354 Narrows Trace, Case No. 3:13-cv-111-TSB, having the following legal description:



Situated in the County of Greene in the State of Ohio and in the Township of Beavercreek and being Lot Numbered 7 Narrows Pass as recorded in Plat Book 26, Pages 148, 149, 150, 151 and 152 (aka P.C. 34, Pages 175B, 176A, 176B, 177A and 177B) of the Plat Records of Greene County, Ohio.

Parcel Id No. B03-1-21-59

Prior Instrument Reference: OR Vol. 3287 Page 586 of the Deed Records of Greene County, Ohio.

b. The assets named as defendants in United States v. Account#\*\*\*\*8949,

JPMORGAN CHASE BANK, et al., Case No. 3:13-cv-256-WHR, including:

The defendant (1): the account contents of JP MORGAN CHASE BANK, ACCT #\*\*\*\*\*8949, in the Name of Williams Brothers Inc., in the Amount of \$753,014.80;

The defendant (2): the account contents of PNC BANK, ACCT #\*\*\*\*\*9549, in the Name of Gregory & Linda Oldiges, in the Amount of \$265,962.50;

The defendant (3): the account contents of PNC BANK, ACCT #\*\*\*\*\*6919, in the Name of Gregory & Linda Oldiges, in the Amount of \$17,679.30;

The defendant (4): the account contents of SECURITY BENEFIT LIFE INSURANCE, ACCT #\*\*\*\*\*5119, in the Name of Gregory Oldiges, in the Amount of \$310,027.11;

The defendant (5): the account contents of SECURITY BENEFIT LIFE INSURANCE, ACCT #\*\*\*\*\*5790, in the Name of Linda Oldiges, in the Amount of \$300,051.73;

The defendant (6): the account contents of HUNTINGTON BANK, ACCT #\*\*\*\*\*9672, in the Name of Hard Rock Partners, in the Amount of \$100,000.00;

The defendant (7): the account contents of FIDELITY INVESTMENTS c/o KALOS CAPITAL, INC., in the Name of Gregory & Linda Oldiges, in the Amount of \$201,138.67; and

The defendant (8): a 2012 GMC SIERRA, VIN: 3GTP2WE77CG141102.

19. The assets described above in ¶ 18, are subject to forfeiture pursuant to:

a. 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), as property, real or personal, which constitutes or is derived from proceeds traceable to Defendant's violation charged in Count 1 of the Information in this case, Conspiracy to Commit a violation of 8 U.S.C § 1324 (Bringing in and harboring certain aliens), a violation of 18 USC § 1028 (Fraud and related activity in connection with identification documents, authentication features, and information), and a violation of 18 U.S.C. § 1001 (False Statements); all in violation of 18 U.S.C. § 371 (Conspiracy);

b. 18 U.S.C. § 982(a)(2)(B) as property, constituting or derived from the proceeds Defendant obtained directly, or indirectly, as the result of his violation charged in Count 1 of the Information in this case, Conspiracy to Using Means of Identification of Others, in violation of 18 U.S.C. § 1028(a)(7), all in violation of 18 U.S.C. § 371 (Conspiracy);

c. 18 U.S.C. § 982(a)(6) as property that constitutes or is derived from or is traceable to the proceeds obtained directly or indirectly from Defendant's Conspiracy to violate 8 U.S.C. § 1324(a) and/or as property used to facilitate, or intended to facilitate Defendant's commission of such offense; and

d. 8 U.S.C. § 1324(b) and 28 U.S.C. § 2461(c) as any conveyance that has been used in the commission of Defendant's violation charged in Count 1 of the Information in this case, Conspiracy to Commit Transporting Illegal Aliens in violation of 8 U.S.C. § 1324(a)(1)(A)(ii); and/or Encouraging and Inducing Illegal Aliens to Enter and Reside in Violation of Law, in violation of 8 U.S.C. § 1324(a)(1)(A)(iv), as the gross proceeds of such violation, and as any property traceable to such conveyance or proceeds.

20. Defendant will take all steps as requested by the USAO to assist in resolving the

rightful ownership of the assets listed above, including testifying truthfully in any civil or criminal judicial forfeiture proceeding and in any discovery proceedings related thereto.

21. Defendant withdraws and/or waives any and all claims he may have, has filed, or might have filed, to the assets listed above, and waives any and all claims that any business entity which he may have an interest in, including but not limited to Williams Brothers Roofing and Siding, Inc. ("Williams Brothers"), may have, has filed, or might have filed, to the assets listed above, and hereby consents to the civil, criminal and/or administrative forfeiture of such assets.

22. Defendant waives the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding notice of the forfeiture of the assets listed above in the charging instrument, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment.

23. Defendant understands that forfeiture of the assets listed above is part of the sentence that may be imposed in this case and waives any failure by the Court to advise him of this, pursuant to Rule 11, at the time his guilty pleas are accepted.

24. Defendant waives all constitutional and statutory challenges (including direct appeal, collateral attack, or any other means) to the forfeiture of the assets listed above.

25. Defendant may not use the forfeited assets listed above to satisfy any fine, restitution, cost of imprisonment, or any other penalty the Court may impose upon Defendant in addition to forfeiture. However, the United States may in its sole discretion, turn over a portion of the proceeds of the forfeited assets listed above to any victims of Defendant's offense(s).

26. Pursuant to 11 U.S.C. § 362(b)(1), any and all actions to complete the criminal forfeiture of the above assets, and any and all actions to complete the civil forfeiture of the assets named in (1) United States v. Real Property Known as 354 Narrows Trace, Case No. 3:13-cv-111-

TSB, and (2) United States v. Account #\*\*\*\*8949, JPMORGAN CHASE BANK, et al., Case No. 3:13-cv-256-WHR, fall within the exemption of the Bankruptcy Code's automatic stay. Therefore, the forfeiture of above listed assets may be completed criminally or civilly, at the United States' option, despite any filing of a bankruptcy by Defendant, by his spouse, or by any business entity which he may have an interest in, including but not limited to Williams Brothers.

#### THE USAO'S OBLIGATIONS

27. If Defendant complies fully with all his obligations under this Plea Agreement, the USAO will not file additional criminal charges against Defendant for violations (including violations of 18 U.S.C. § 1028A (Aggravated Identity Theft)) both occurring in the Southern District of Ohio during the time period charged in the Information and arising out of the facts set forth in the attached Statement of Facts. Defendant understands that the Court may consider uncharged conduct, among other matters, in determining a sentence.

#### INTEGRATION

28. This Plea Agreement (which, as noted above, includes this document and all of its exhibits and attachments) constitutes the entire agreement between the parties. This Plea Agreement binds only the USAO and does not bind any other federal, state or local prosecuting authority.

#### DEFENDANT'S ACKNOWLEDGMENT

29. By signing below, Defendant acknowledges that he is competent to enter into this Plea Agreement; that he has carefully read this Plea Agreement (including all of the exhibits and attachments); that he fully understands this Plea Agreement; that he accepts this Plea

Agreement knowingly and voluntarily and not as a result of any force, threats, or promises, other than the promises in this Plea Agreement; that he has conferred with his attorney regarding this Plea Agreement, and the facts and circumstances of this case, including the applicable law and potential defenses, and that he is fully satisfied with the representation, advice, and other assistance of his attorney in this case.

CARTER M. STEWART  
United States Attorney



VIPAL J. PATEL  
Assistant United States Attorney

1/7/14  
Date



GREGORY J. OLDIGES  
Defendant

12-30-13  
Date

  
GREGORY G. LOCKHART  
Attorney for Defendant

12-30-13  
Date

# Exhibit A

**EXHIBIT A – STATEMENT OF FACTS FOR GREGORY J. OLDIGES**

**I. FACTS RELEVANT TO COUNT ONE OF THE INFORMATION  
(conspiracy to commit numerous violations of federal law, including transporting illegal  
aliens, encouraging and inducing illegal aliens to enter and reside in the United States,  
making false statements, falsely representing numbers as Social Security numbers and  
identity theft, all in violation of 18 U.S.C. § 371)**

**OVERVIEW**

**GREGORY J. OLDIGES** is the sole owner and operator of Williams Brothers Roofing and Siding, Inc. (“Williams Brothers”), a roofing and siding company that operates in the Dayton, Ohio area. **OLDIGES** has been the sole owner of Williams Brothers since approximately 2006. From approximately 2000 until 2006, **OLDIGES** and another individually jointly owned Williams Brothers. During this time, however, **OLDIGES** primarily controlled and oversaw all of Williams Brothers’ operations, including the hiring and firing of all of its employees, contractors and subcontractors (and purported subcontractors). Since approximately 2002, **OLDIGES** has exercised primary control over Williams Brothers’ operations.

**OLDIGES**, or a Williams Brothers’ superintendent working at **OLDIGES**’ direction, were primarily responsible for assigning “crews” to roofing jobs. **OLDIGES** described these crews as “white crews” and “Hispanic crews.” The “white crews” included only individuals (usually 3 or 4) who were United States citizens and could legally work here. The “Hispanic crews” consisted of only illegal aliens (at least 7 or 8) who were in the United States illegally and therefore could not legally reside or work in the United States. Since at least 2004, Williams Brothers typically had at least three “Hispanic crews” and three “white crews” working during the peak roofing season (April through November). The members of the “Hispanic crews” were typically from Mexico, Guatemala, or other Latin American countries. If a customer indicated that they did not want a “Hispanic crew,” Williams Brothers’ salesmen would note this by writing

“NO” on the top of the job order.

Each crew had its own foreman. Williams Brothers did not pay the members of each crew individually. Rather, Williams Brothers paid the crews by giving the foreman a check. The foremen typically received checks directly on a weekly or bi-weekly basis and could be paid for a single job or multiple jobs on a single check. The foremen were then responsible for paying each member of his crew. Specifically, Williams Brothers paid the illegal alien subcontractors (*i.e.*, the foremen) by way of company checks executed by **OLDIGES**, which were often made payable to names **OLDIGES** and/or others at Williams Brothers knew to be false but used by the illegal alien subcontractors to receive payment.

Between 2009 and 2012 alone, Williams Brothers invoiced its customers approximately \$11.75 million for roofing-related work performed by its illegal alien crews (*i.e.*, “Hispanic crews”), for which Williams Brothers paid the illegal alien subcontractors approximately \$1.7 million. Williams Brothers incurred additional labor costs, as well as material and other costs, though Williams Brothers targeted and generally achieved a 40% gross profit margin, equating to approximately \$4.7 million out of the \$11.75 million invoiced for roofing-related work performed by its illegal alien crews between 2009 and 2012 alone.

Williams Brothers sought to retain roofing crews without formally “employing” them. Williams Brothers would instead enter into purported “subcontracting agreements” with both the “white” and “Hispanic” crews (with each crew’s foreman acting as a signatory for the purported subcontract arrangement). Because the Hispanic crews’ foremen were illegal aliens residing and working illegally in the United States, the Williams Brothers’ internal accountant/bookkeeper (“S.K.”) prepared the necessary subcontracting documents and associated paperwork for the Hispanic crews. **OLDIGES** knew since at least September 2004 that the “Hispanic crews”



(including their foremen) were mostly composed of illegal aliens (and in some cases entirely composed of illegal aliens) who could not lawfully reside or work in the United States.

**OLDIGES** also knew and/or directed S.K. and others to prepare the necessary fraudulent documentation (including the purported subcontracting agreements and IRS Forms 1099 (“Forms 1099”)) in order for Williams Brothers to be able to write off the illegal aliens’ (*i.e.*, the Hispanic crews’) labor costs on Williams Brothers’ corporate tax returns.

In the course of hiring these illegal aliens and preparing the fraudulent Forms 1099, **OLDIGES** and other Williams Brothers employees knowingly and voluntarily conspired to commit multiple violations of federal law as further detailed below. Specifically, beginning in approximately September 2004 and continuing until approximately January 2013, within the Southern District of Ohio and elsewhere, **OLDIGES**, knowingly and voluntarily conspired and agreed with persons known and unknown (including numerous Williams Brothers employees) to commit the following offenses against the United States.

**A. Transporting Illegal Aliens in Furtherance of Illegal Reentry and Presence  
(in violation of 8 U.S.C. § 1324(a)(1)(A)(ii))**

In or about April 2007, a Williams Brothers employee – with authorization from **OLDIGES**, and at Williams Brothers’ expense – traveled from the Dayton, Ohio area to Texas to pick up an illegal alien subcontractor and his crew, and then drove the illegal alien subcontractor and his crew back to the Dayton, Ohio area.

On or about April 20, 2007, **OLDIGES** directed Williams Brothers’ internal bookkeeper/accountant to issue a company check in the amount of \$9,000, check # 64016, made payable to the bookkeeper/accountant, to cash the check, and to then furnish the cash to the Williams Brothers employee making the above-mentioned trip to Texas. **OLDIGES** then directed the Williams Brothers employee making the trip to Texas to give the cash to the illegal

alien subcontractor, knowing that the money would ultimately be paid to human smugglers (a/k/a “coyotes”) for bringing the illegal alien subcontractor and his crew across the border from Mexico into Texas.

Over the course of the remainder of the roofing season in 2007, **OLDIGES** recouped the cost of the above-mentioned smuggling fees by withholding a portion of the amount Williams Brothers owed the illegal alien subcontractor for work performed on Williams Brothers’ roofing contracts.

In or about May 2008, a Williams Brothers employee – with authorization from **OLDIGES**, and at Williams Brothers’ expense – traveled from the Dayton, Ohio area to Texas to pick up an illegal alien subcontractor and his crew, and then drove the illegal alien subcontractor and his crew back to the Dayton, Ohio area.

In or about May 2008, **OLDIGES** directed Williams Brothers’ internal bookkeeper/accountant to issue a company check in the amount of \$7,000, check # 65044, made payable to the bookkeeper/accountant, to cash the check, and to then furnish the cash to the Williams Brothers employee making the above-mentioned trip to Texas. **OLDIGES** then directed the Williams Brothers employee making the trip to Texas to give the cash to the illegal alien subcontractor, knowing that the money would ultimately be paid to human smugglers for bringing the illegal alien subcontractor and his crew across the border from Mexico into Texas.

Over the course of the remainder of the roofing season in 2008, **OLDIGES** recouped the cost of the above-mentioned smuggling fees by withholding a portion of the amount Williams Brothers owed the illegal alien subcontractor for work performed on Williams Brothers’ roofing contracts.

On or about May 10, 2011, **OLDIGES** authorized a wire transfer of funds in the amount

of \$8,000 (\$1,000 per illegal alien), from Williams Brothers to an account with a bank in Texas, as payment of the smuggling fee charged by a coyote for smuggling one of Williams Brothers' illegal alien subcontractors and his crew into the United States.

**B. Encouraging and Inducing Illegal Aliens to Enter and Reside in Violation of the Law (in violation of 8 U.S.C. § 1324(a)(1)(A)(iv))**

Between 2004 and 2013 alone, Williams Brothers entered into at least 39 purported subcontracts with illegal aliens to perform roofing services in the Dayton, Ohio area. Williams Brothers entered into these purported subcontracts with **OLDIGES'** knowledge and at his direction. Since at least 2004, **OLDIGES** knew that the individuals with whom Williams Brothers had entered into these 39 purported subcontracts were illegal aliens, who were not lawfully permitted to reside or work in the United States. **OLDIGES** and/or other Williams Brothers' employees knew that many of these illegal aliens used aliases or other false names when entering into these purported subcontracts. In several instances, Williams Brothers' employees -- with **OLDIGES'** knowledge -- provided the illegal aliens with the false names/aliases to use for the purported subcontracts (as well as other fraudulent documentation prepared by Williams Brothers).

For example, on or about November 5, 2005, Williams Brothers entered into a purported subcontract with a person that **OLDIGES** knew was an illegal alien, namely, an illegal alien identified herein as "S.G.," whereby S.G. and his crew --consisting of other illegal aliens -- would perform roofing-related installation services on contracts between Williams Brothers and its customers. A Williams Brothers employee ("J.K.") executed the purported subcontract with **OLDIGES'** knowledge and on behalf of Williams Brothers. S.G. executed the purported subcontract using the name "Cristobal Rodriguez," a false name. **OLDIGES** and J.K. knew that

“Cristobal Rodriguez” was not S.G. real name, but a false one he used to receive payment from Williams Brothers.

More recently, on or about November 12, 2010, Williams Brothers entered into a roofing contract with a customer identified herein as “D.K.” **OLDIGES** assigned D.K.’s roofing job to one of Williams Brothers’ illegal alien crews (*i.e.*, “Hispanic crews”), whose foreman (the purported subcontractor) was an illegal alien identified herein as “R.V.” On or about November 24, 2010, **OLDIGES** signed a Williams Brothers check, check # 21987, in the amount of \$3,706, representing the amount Williams Brothers owed R.V. for his and crew’s work on the contract between Williams Brothers and D.K. The check was made payable to “Juan Pablo Arias,” a false name **OLDIGES** knew R.V. was using in order to receive payment. On or about November 30, 2010, Williams Brothers invoiced its customer, D.K., the amount of \$18,869, the difference between the invoiced amount (\$18,869) and the amount paid to R.V. (\$3,706) reflected Williams Brothers’ materials cost and gross profit.

**C. Making False Statements (in violation of 18 U.S.C. § 1001(a)(3))**

In or about March 2012, Williams Brothers’ internal bookkeeper/accountant prepared fraudulent IRS Forms 1099 for the purpose of reporting to the IRS approximately \$337,000 in payments that Williams Brothers had made to its illegal alien subcontractors during the preceding tax year. The Forms 1099 were fraudulent because they contained false statements, namely they identified the illegal alien subcontractors using false names (including both the names of real other people and fabricated/fictitious ones) and/or false social security numbers (including both real social security numbers belonging to other people and fabricated/fictitious ones). Williams Brothers’ internal bookkeeper/accountant subsequently submitted the false Forms 1099 electronically to the IRS. **OLDIGES** knew of and approved the submission of

falsified Forms 1099 to the IRS by Williams Brothers' internal bookkeeper/accountant. Between 2004 and 2012 (for tax years 2003-2011), Williams Brothers personnel prepared and submitted to the IRS approximately twenty materially false 1099 forms which identified the illegal alien subcontractors using known aliases (including both fabricated names and names of other persons), false social security/taxpayer identification numbers (including both fabricated numbers and numbers of other persons), or both, and which reported payments to the illegal alien subcontractors of approximately \$1.1 million.

**D. Falsely Representing Numbers as Security Numbers  
(in violation of 42 U.S.C. § 408(a)(7)(B))**

Between 2004 and 2012 (for tax years 2003-2011), **OLDIGES** knowingly and voluntarily agreed with other persons to submit fraudulent Forms 1099 to the IRS relating to the illegal alien subcontractors that were completing roofing jobs for Williams Brothers under their purported subcontracting agreements. In several cases, the Forms 1099 contained fraudulent social security numbers, *i.e.*, a Williams Brothers' employee, with **OLDIGES** knowledge and approval, would simply make up a random nine-digit string of numbers (XXX-XX-XXXX) and falsely report this series of numbers as the illegal alien's "social security account number." In other words, **OLDIGES** and others, with the intent to deceive, falsely represented to the IRS that these random nine-digit string of numbers were social security account numbers assigned by the Commissioner of Social Security, when in fact those numbers were not social security account numbers assigned to any person.

**E. Unlawful Use of Others' Identification (in violation of 18 U.S.C. § 1028(a)(7))**

Between 2004 and 2012 (for tax years 2003-2011), **OLDIGES** and others knowingly and voluntarily agreed to unlawfully use other persons' names and social security numbers with the

intent to commit and in connection with multiple violations of Federal law, including, but not limited to immigration fraud and making false statements.

**II. FACTS RELEVANT TO COUNT TWO OF THE INFORMATION  
(Conspiracy to Commit Wire Fraud, in violation of 18 U.S.C. § 1349)**

Beginning in at least November 2010 and continuing until approximately December 2012, in the Southern District of Ohio and elsewhere, **OLDIGES** knowingly and voluntarily conspired with Jim Honious, a Williams Brothers salesman, and others (including other Williams Brothers' salesmen and employees and Williams Brothers' customers) to commit wire fraud in violation of 18 U.S.C. § 1349, by engaging in the scheme described below.

**OLDIGES**, Honious and others devised a scheme to defraud insurance providers on roofing jobs performed by Williams Brothers by submitting via fax or e-mail (or other means of wire communication in interstate commerce) "dummy" or "duplicate" invoices to insurance companies that reflected inflated invoice amounts over and above the amount actually charged by Williams Brothers to its customers for the roofing jobs. Initially, at least, **OLDIGES**, Honious, and others engaged in this scheme in an effort to "cover" Williams Brothers' customers' insurance deductibles, to thereby secure the customers' business, and to reap greater commission and profits as a result. Rather than pay for the customers' deductibles out of Williams Brother's own profits, however, **OLDIGES**, Honious and others devised and executed this scheme so as to pass the cost of the customers' deductibles to the customers' insurance providers. The scheme later expanded beyond simply "covering" insurance deductibles.

**OLDIGES** personally met with Honious and other salesmen to discuss the process of preparing the "dummy" or "duplicate" invoices to be submitted to the insurance companies. It was known and understood by **OLDIGES** and all of the Williams Brothers employees who

participated in the scheme that the “dummy invoices” were fraudulent. The way the scheme worked is that a Williams Brothers employee (a salesman or Williams Brothers’ internal bookkeeper/accountant) would prepare two invoices – the first one would be the “real invoice,” which would be submitted to the customer reflecting the amount Williams Brothers charged for the particular roofing job. The employee would then prepare a second invoice – the dummy invoice – that would be submitted to the insurance company. In virtually every case, the fraudulent dummy invoice was higher than the real invoice given to the customer. Sometimes, the inflated amount on the dummy invoice would reflect only the customer’s deductible. In other words, Williams Brothers, at **OLDIGES** direction and with his knowledge, would have a Williams Brothers employee prepare an invoice for the insurance company that was on average \$500 to \$1000 higher (corresponding to the customer’s insurance deductible amount) than the price that Williams Brothers was actually charging to the customer. But in many cases, the dummy invoice was inflated by several thousands of dollars (up to nearly \$11,000) more than the invoice that the customer received, well in excess of the customer’s insurance deductible amount.

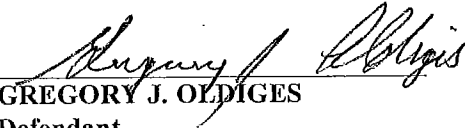
On multiple occasions, Williams Brothers’ salesmen (with **OLDIGES**’ knowledge) would also fraudulently inflate both the invoice to the customer and the insurance company. By doing so, Williams Brothers would be able to increase the amount it was paid for a job above what it could have legitimately been able to recoup. For example, if Williams Brothers should have invoiced a customer for \$10,000 (and sent a corresponding \$10,000 invoice to an insurance company), it would instead invoice the customer for \$13,000 and submit a fraudulent invoice to the insurance company for \$16,000. Williams Brothers and the customer would then both benefit financially from the submission of the fraudulent dummy invoice to the insurance company. In

this example, Williams Brothers would make an extra \$3,000 on the job and the customer would be able to pocket at least \$3,000 minus whatever their deductible was.

By offering to submit inflated, fraudulent invoices that at the very least covered their customers' deductibles, Williams Brothers salesmen were providing an incentive to customers to select Williams Brothers versus a competing roofing company. It was thus profitable for Williams Brothers and **OLDIGES** to submit fraudulent insurance invoices because it increased Williams Brothers' overall business. Williams Brothers' salesmen were personally incentivized to do so because it increased their overall compensation because they received a commission for each job they sold. Indeed, **OLDIGES** knew that submitting dummy invoices to the insurance companies was illegal.

Between approximately November 2010 and December 2012, **OLDIGES**, Honious and other Williams Brothers employees knowingly submitted or caused to be submitted at least 80 fraudulent invoices totaling approximately \$1.369 million to various insurance companies when the actual amount that Williams Brothers charged its customers for this work was approximately \$1.24 million, an overcharge to the insurance companies of approximately \$128,800 in total.

**AGREED AND ACCEPTED AS TRUE AND CORRECT.**

  
\_\_\_\_\_  
**GREGORY J. OLDIGES**  
Defendant

\_\_\_\_\_  
Date 1-7-14



EXHIBIT B

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF OHIO  
WESTERN DIVISION

IN RE: GREGORY J. OLDIGES

GLOBAL SETTLEMENT AGREEMENT

It is hereby agreed and stipulated by and between the United States of America and GREGORY J. OLDIGES, LINDA M. OLDIGES and WILLIAMS BROTHERS ROOFING AND SIDING, CO. INC. (WILLIAMS BROS.) that the United States' potential criminal charges against GREGORY J. OLDIGES, LINDA M. OLDIGES, and WILLIAMS BROS. for violations both occurring in the Southern District of Ohio during the period charged in the Information filed in United States District Court Case No. 3:13-CR-166-WHR and arising out of the facts set forth in the Statement of Facts attached to the Plea Agreement to which this Global Settlement Agreement is attached, and the potential claims of GREGORY J. OLDIGES, LINDA M. OLDIGES and WILLIAMS BROS. against the United States, its agencies, officers, agents and employees and/or the assets seized by the United States, are hereby resolved as follows:

1. GREGORY J. OLDIGES will sign and enter the Plea Agreement to which this Global Settlement is attached, whereby he will plead guilty to Count One of the Information charging the Defendant with Conspiracy to Commit: (1) Transporting Illegal Aliens in Furtherance of Illegal Entry and Presence, in violation of 8 U.S.C. § 1324(a)(1)(A)(ii); (2) Encouraging and Inducing Illegal Aliens to Enter and Reside in Violation of Law, in violation of 8 U.S.C. § 1324(a)(1)(A)(iv); (3) False Writing and Document, in violation of 18 U.S.C. § 1001(a)(3); (4) Falsely Representing Numbers as Social Security Numbers, in violation of 42 U.S.C. § 408(a)(7)(B); and (5) Using Means of Identification of Others, in violation of 18 U.S.C. § 1028(a)(7), all in violation of 18 U.S.C. § 371, and Count Two of the Information charging the Defendant with Conspiracy to Commit Wire Fraud, in violation of 18 U.S.C. § 1343, all in violation of 18 U.S.C. § 1349.

2. The parties will sign the Agreed Order and Decree of Forfeiture attached as Exhibit 1 prior to the entry of GREGORY OLDIGES' pleas, and the United States will file the Agreed Order in the United States v. Account #\*\*\*\*8949, JPMORGAN CHASE BANK, In the Name of WILLIAMS BROTHERS INC., In the Amount of \$753,014.80, et al., SD Ohio Case No. 3:13CV256(WHR) immediately after the entry of the plea. In the Agreed Order, all of the Defendant assets are forfeited to the United States, pursuant to:

i. 18 U.S.C. § 981(a)(1)(C) as proceeds of violations of 8 U.S.C. § 1324 (Bringing in and harboring certain aliens), 18 U.S.C. § 1028 (Fraud and related activity in connection with identification documents, authentication features, and information), 18 U.S.C. § 1028A (Aggravated identity theft), 18 U.S.C. § 1029 (Fraud in connection with access devices), 18 U.S.C. § 1956 (Laundering of monetary instruments), 18 U.S.C. § 1957 (Engaging in monetary transactions in property derived from specified unlawful activity),

