

FILED
14 OCT 28 PM 2:40
THE U.S. DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
CLEVELAND

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

ALLEN D. YOUNGMAN,

Defendant.

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CASE NO.

1:14CR3937

Title 18, Sections 1014 and 2,
United States Code

JUDGE BOYKO

The United States Attorney charges:

General Allegations

1. At all times material herein:

A. Defendant ALLEN D. YOUNGMAN ("YOUNGMAN") resided in Pepper Pike, Ohio, within the Northern District of Ohio.

B. YOUNGMAN owned Lakeside Scrap Metals, Inc. ("Lakeside"), a company which acquired and sold scrap metals.

C. Sometime in 2006, YOUNGMAN acquired The Scrap Yard ("TSY"), another scrap metal business which was operated with Lakeside as a related company.

D. Lakeside and its related companies, including TSY, established and maintained an asset-based loan from the FirstMerit Bank, N.A. ("FirstMerit"). Under the terms of this loan,

Lakeside was permitted to borrow from FirstMerit 85% of Lakeside's inventory and accounts receivable.

E. On behalf of Lakeside and its related companies, YOUNGMAN submitted weekly borrowing base certificates to FirstMerit. These certificates listed the amounts of inventory and accounts receivables available to secure the loan.

F. On or about July 20, 2012, YOUNGMAN caused to be submitted to FirstMerit a borrowing base certificate that reported \$8.9 million in inventory and accounts receivable available to FirstMerit as security for the Lakeside loan. As of that date, YOUNGMAN and Lakeside had drawn approximately \$6.3 million from FirstMerit.

COUNT 1

(Making and Causing a False Statement to a Federally-Insured Financial Institution Regarding a Loan)

The United States Attorney further charges:

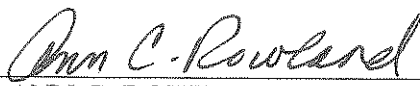
2. Paragraphs 1.A. through 1.F. are re-alleged and incorporated by reference herein as if fully set forth herein.
3. From approximately March 26, 2012, and continuing to approximately August 14, 2012, in the Northern District of Ohio, Eastern Division, and elsewhere, ALLEN D. YOUNGMAN knowingly made and caused to be made material false statements for the purpose of influencing the action of the FirstMerit Bank, N.A., then insured by the Federal Deposit Insurance Corporation, in connection with a loan. YOUNGMAN submitted and caused to be submitted invoices which permitted him to draw on the FirstMerit loan to Lakeside and related companies, and which invoices YOUNGMAN then knew to be false.
4. The false invoices submitted and caused to be submitted were as follows, as identified by date, shipping information, invoice amount, and customer:

DATE	SHIP FROM	SHIP TO	INVOICED	CUSTOMER
3/26/2012	Metalsco	Lakeshore Automatics	\$161,976.37	Lakeshore Fittings, Inc. Grand Haven, MI
4/18/2012	FPT	Chase	\$108,238.40	Chase Brass and Copper Co., LLC Montpelier, OH
4/19/2012	OmniSource	Hussey/Libertas Copper	\$161,832.00	Hussey Copper Leetsdale, PA
5/31/2012	Masco	Chase	\$ 95,513.60	Chase Brass and Copper Co., LLC Montpelier, OH
5/31/2012	FPT	Lakeshore Automatics	\$111,302.40	Lakeshore Fittings, Inc. Grand Haven, MI
6/22/2012	CCI	Vican Trading	\$290,230.10	Vican Trading, Inc. Montreal, Quebec
6/23/2012	Chase Brass	OmniSource (OMS Toledo)	\$173,865.44	OmniSource Fort Wayne, IN 46804
6/26/2012	AMI	Western Reserve	\$ 82,156.26	Western Reserve Recycling Cleveland, OH

5. As a result of YOUNGMAN's fraudulent conduct, Lakeside obtained approximately \$1,007, 347 (85% of the invoices total) to which it was not entitled and FirstMerit suffered a loss in that amount.

All in violation of Title 18, United States Code, Sections 1014 and 2.

STEVEN M. DETTELBACH
United States Attorney

By: 
ANN C. ROWLAND
Major Fraud & Corruption Unit Chief