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United States of America

7
8 IN THE UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA

10 UNITED STATES OF AMERICA,
11 Plaintiff,
12 v.
13 JEFFREY SCOTT HEDGES,
14 Defendant.

CASE NO. 1:20-cr-00117-NONE-SKO
18 U.S.C. § 1343 – WIRE FRAUD (21 Counts); 18
U.S.C. §§ 1957 and 2 – MONEY LAUNDERING (1
count); 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), 28
U.S.C. § 2461(c) - CRIMINAL FORFEITURE

15
16 INDICTMENT

17 COUNTS ONE THROUGH TWENTY-ONE: [18 U.S.C. § 1343 – Wire Fraud]

18 The Grand Jury charges:

19 JEFFREY SCOTT HEDGES,

20 defendant herein, as follows:

21 **I. INTRODUCTION**

22 1. At all relevant times, defendant JEFFREY SCOTT HEDGES was a resident of Fresno
23 County, State and Eastern District of California.

24 2. HEDGES owned and operated West Coast Chassis, LLC located in Fresno County.
25 Defendant HEDGES, through his business, purportedly restored classic cars and manufactured custom
26 car frames and car chassis to modernize classic cars.

27 **II. SCHEME TO DEFRAUD:**

28 3. From approximately in or about November 2015 and continuing until in or about January

1 2019, within the State and Eastern District of California and elsewhere, defendant JEFFREY SCOTT
2 HEDGES knowingly devised, intended to devise, participated in, and executed a material scheme and
3 artifice to defraud individuals of their money and property, and to obtain money and property from
4 individuals by means of materially false and fraudulent pretenses, representations, and promises.

5 **III. MANNER AND MEANS:**

6 4. The scheme to defraud was carried out using, among others, the following manner and
7 means:

8 5. HEDGES advertised his business and solicited customers by various means, including
9 online advertisements and text and email communications, to entrust him with the restoration of classic
10 cars.

11 6. After HEDGES' prospective customers responded to his advertisements for classic car
12 restoration work, HEDGES would propose to the customers terms and timing for the transactions.
13 HEDGES typically negotiated these terms with customers via text message or email message. At
14 various times, HEDGES then entered into contracts with customers in which he falsely and fraudulently
15 represented that he would render restoration services and provide classic car parts for their vehicle.

16 7. Defendant HEDGES induced customers to pay him money based on materially false and
17 fraudulent representations that the money would be used to restore classic cars for the customers.

18 8. At times, defendant HEDGES also induced customers to send him classic car parts for
19 purported use in the customers' restoration projects, based on materially false and fraudulent
20 representations that he would use the cart parts for the customers' project.

21 9. In many instances, defendant HEDGES instead used the money collected from customers
22 for his personal and business expenses, without the customers' knowledge or authorization.

23 10. When customers would inquire regarding delays in the promised work, HEDGES
24 provided customers with inconsistent, conflicting explanations and excuses concerning the inability to
25 timely complete the car projects and the inability to return the money paid and parts provided to
26 customers who requested such a return. HEDGES' false explanations and excuses lulled customers into
27 believing HEDGES' representations and delayed the discovery of HEDGES' scheme to defraud. In
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1 certain cases, HEDGES' claimed explanations and excuses also induced investors to provide additional
2 money to HEDGES.

3 11. HEDGES frequently would ultimately fail to complete the promised projects and fail to
4 deliver projects that he had falsely claimed were completed.

5 12. At various times, HEDGES would also provide customers a different product than the
6 one promised. For example, in exchange for payment, HEDGES promised a customer a custom car
7 chassis with various specific features. Instead, HEDGES delivered a rusted car frame to the customer
8 that did not have various specific features that were promised.

9 13. In many instances, customers sent money to HEDGES through financial institutions
10 outside the State of California, through financial institutions inside the State of California that processed
11 the funds by interstate wires, and via the FedWire system, to bank accounts located in Fresno, California
12 to which defendant HEDGES had access and over which he had control.

13 14. At all times, in carrying out the scheme, defendant HEDGES acted with intent to defraud.
14 During the course of the scheme, the defendant defrauded customers of more than \$645,000 based on his
15 material false and fraudulent pretenses, representations, and promises.

16 **IV. USE OF WIRE TRANSMISSION:**

17 15. On or about the dates set forth below, in the State and Eastern District of California and
18 elsewhere, for the purpose of executing the aforementioned scheme and artifice to defraud, defendant
19 JEFFREY SCOTT HEDGES knowingly transmitted and caused to be transmitted by means of wire and
20 radio communication in interstate and foreign commerce, the following writings, signs, signals, pictures,
21 and sounds:
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Count	Approximate Date of Wire	Description	Sender	Receiver
1	09/06/2017	Wire transmission of monies in the amount of \$10,859.37 from J.P. Morgan Chase, from bank account number xxxxxx1301, in Kirkland, Washington to Navy Federal Credit Union, bank account number xxxxxx5214, in Fresno, California	A.N. of Kirkland, Washington	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
2	09/28/2017	Wire transmission of monies in the amount of \$13,300.40 from J.P. Morgan Chase, from bank account number xxxxxx1301, in Kirkland, Washington to Navy Federal Credit Union, bank account number xxxxxx5214, in Fresno, California	A.N. of Kirkland, Washington	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
3	10/11/2017	Wire transmission of monies in the amount of \$7,323.68 from J.P. Morgan Chase, from bank account number xxxxxx1301, in Kirkland, Washington to Navy Federal Credit Union, bank account number xxxxxx5214, in Fresno, California	A.N. of Kirkland, Washington	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
4	02/16/2016	Wire transmission of monies in the amount of \$15,455.90 from Bank of America, from bank account number xxxx xxxx 8823, in Huntington Beach, California to Citibank, bank account number xxxxx6275, in Fresno, California, processed through, among other locations, Richardson, Texas	Flowe Nursing Anesthesia, Inc., on behalf of C.F., of Huntington Beach, California	West Cost Chassis LLC, on behalf of Jeffrey Scott Hedges
5	03/18/2016	Wire transmission of monies in the amount of \$17,030 from Bank of America, from bank account number xxxx xxxx 8823, in Huntington Beach, California to Citibank, bank account number xxxxx6275, in Fresno, California, processed through, among other locations, Richardson, Texas	Flowe Nursing Anesthesia, Inc., on behalf of C.F., of Huntington Beach, California	West Cost Chassis LLC, on behalf of Jeffrey Scott Hedges
6	04/18/2016	Wire transmission of monies in the amount of \$10,000 from Bank of America, from bank account number xxxx xxxx 8823, in Huntington Beach, California to Citibank, bank account number xxxxx6275, in Fresno, California, processed through, among other locations, Richardson, Texas	Flowe Nursing Anesthesia, Inc., on behalf of C.F., of Huntington Beach, California	West Cost Chassis LLC, on behalf of Jeffrey Scott Hedges

1	7	04/26/2016	Wire transmission of monies in the amount of \$4,947 from Bank of America, from bank account number xxxx xxxx 8823, in Huntington Beach, California to Citibank, bank account number xxxxx6275, in Fresno, California, processed through, among other locations, Richardson, Texas	Flowe Nursing Anesthesia, Inc., on behalf of C.F., of Huntington Beach, California	West Cost Chassis LLC, on behalf of Jeffrey Scott Hedges
2	8	06/01/2016	Wire transmission of monies in the amount of \$10,760 from Bank of America, from bank account number xxxx xxxx 8823, in Huntington Beach, California to Citibank, bank account number xxxxx6275, in Fresno, California, processed through, among other locations, Kansas City, Missouri	Flowe Nursing Anesthesia, Inc., on behalf of C.F., of Huntington Beach, California	West Cost Chassis LLC, on behalf of Jeffrey Scott Hedges
3	9	02/07/2017	Wire transmission of monies in the amount of \$5,000 from Citizens Bank, from bank account number xxxxxx8672, in Londonderry, New Hampshire to Compass Bank, bank account number xxxxxx9563, in Fresno, California	D.J.M. of Londonderry, New Hampshire	West Coast Chasis LLC, on behalf of Jeffrey Scott Hedges
4	10	02/14/2017	Wire transmission of monies in the amount of \$13,000 from Citizens Bank, from bank account number xxxxxx8672, in Londonderry, New Hampshire to Compass Bank, bank account number xxxxxx9563, in Fresno, California	D.J.M. of Londonderry, New Hampshire	West Coast Chasis LLC, on behalf of Jeffrey Scott Hedges
5	11	02/23/2017	Wire transmission of monies in the amount of \$5,126 from Citizens Bank, from bank account number xxxxxx8672, in Londonderry, New Hampshire to Compass Bank, bank account number xxxxxx9563, in Fresno, California	D.J.M. of Londonderry, New Hampshire	West Coast Chasis LLC, on behalf of Jeffrey Scott Hedges
6	12	04/21/2017	Wire transmission of monies in the amount of \$25,000 from Inwood National Bank, from bank account number xxx3038, in Cedar Hill, Texas, to Compass Bank, bank account number xxxxxx9563, in Fresno, California	J.E.S. of Cedar Hill, Texas	West Coast Chasis LLC, on behalf of Jeffrey Scott Hedges
7	13	05/02/2017	Wire transmission of monies in the amount of \$21,215 from Inwood National Bank, from bank account number xxx3038, in Cedar Hill, Texas, to Compass Bank, bank account number xxxxxx9206, in Fresno, California	J.E.S. of Cedar Hill, Texas	Jeff Hedges

1	14	01/26/2018	Wire transmission of monies in the amount of \$10,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
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5	15	02/01/2018	Wire transmission of monies in the amount of \$5,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
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9	16	02/05/2018	Wire transmission of monies in the amount of \$5,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
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13	17	02/22/2018	Wire transmission of monies in the amount of \$5,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Citibank, bank account number xxxxxxxx2981, in Fresno, California	S.D. of Overland Park, Kansas	A.H., on behalf of Jeffrey Scott Hedges
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17	18	03/06/2018	Wire transmission of monies in the amount of \$11,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
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21	19	03/26/2018	Wire transmission of monies in the amount of \$3,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
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20	04/16/2018	Wire transmission of monies in the amount of \$2,500 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges
21	04/20/2018	Wire transmission of monies in the amount of \$8,000 from Bank of America, from bank account number xxxxxxxx9869, in Oakland Park, Kansas, to Navy Federal Credit Union, bank account number xxxxxx0321, in Fresno, California	S.D. of Overland Park, Kansas	WCC Pro Touring, on behalf of Jeffrey Scott Hedges

All in violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-TWO: [18 U.S.C. §§ 1957, 2 – Money Laundering]

The Grand Jury further charges:

JEFFREY SCOTT HEDGES,

defendant herein, as follows:

16. Paragraphs 1 through 15 inclusive of Counts One through Twenty-One are fully incorporated by reference as though fully set forth herein.

17. On or about May 2, 2017, in the State and Eastern District of California and elsewhere, defendant JEFFERY SCOTT HEDGES did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, to wit, the purchase of a cashier's check from Compass Bank in the amount of \$13,519.89 payable to J.P., which property having been derived from a specified unlawful activity, that is Wire Fraud, in violation of Title 18, United States Code, Section 1343, all in violation of Title 18, United States Code, Sections 1957 and 2.

FORFEITURE ALLEGATION: [18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), 28 U.S.C. § 2461(c) – Criminal Forfeiture]

18. Upon conviction of one or more of the offenses alleged in Counts One through Twenty-One of this Indictment, defendant JEFFREY SCOTT HEDGES shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, which

1 constitutes or is derived from proceeds traceable to such violations, including, but not limited to:

2 a. A sum of money equal to the amount of proceeds traceable to such offenses, for
3 which defendant is convicted.

4 19. Upon conviction of the offense alleged in Count Twenty-Two of this Indictment,
5 defendant JEFFREY SCOTT HEDGES shall forfeit to the United States, pursuant to 18 U.S.C. §
6 982(a)(1), all property, real or personal, involved in such offenses, and any property traceable to such
7 property, including but not limited to the following:

8 a. A sum of money equal to the amount of money involved in the offenses, for
9 which defendant is convicted.

10 20. If any property subject to forfeiture as a result of the offenses alleged in Counts One
11 through Twenty-Two of this Indictment, for which defendant is convicted:

12 a. cannot be located upon the exercise of due diligence;

13 b. has been transferred or sold to, or deposited with, a third party;

14 c. has been placed beyond the jurisdiction of the court;

15 d. has been substantially diminished in value; or

16 e. has been commingled with other property which cannot be divided without
17 difficulty;

18 it is the intent of the United States, pursuant to 28 U.S.C. § 2461(c) and 18 U.S.C. § 982(b)(1),
19 incorporating 21 U.S.C. § 853(p), to seek forfeiture of any other property of said defendant, up to the
20 value of the property subject to forfeiture.

21 A TRUE BILL.

22
23 **/s/ Signature on file w/AUSA**

24 _____
25 FOREPERSON

24 MCGREGOR W. SCOTT

25 **KIRK E. SHERRIFF**

26 _____
27 KIRK E. SHERRIFF

27 Assistant United States Attorney
28 Chief, Fresno Office

SEALED

No. _____

1:20-cr-00117-NONE-SKO

UNITED STATES DISTRICT COURT

Eastern District of California

Criminal Division

THE UNITED STATES OF AMERICA

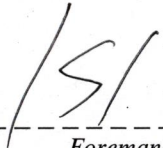
vs.

JEFFREY SCOTT HEDGES

INDICTMENT

**VIOLATION(S): 18 U.S.C. § 1343 – WIRE FRAUD; 18 U.S.C. §§ 1957
and 2 – MONEY LAUNDERING; 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), 28 U.S.C.
§ 2461(c) - CRIMINAL FORFEITURE**

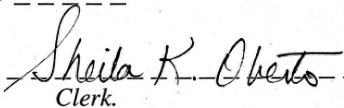
A true bill,



Foreman.

Filed in open court this _____ day

of _____, A.D. 20 _____



Clerk.

Bail, \$ ISSUE NO-BAIL WARRANT _____

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION -- IN U.S. DISTRICT COURT

BY COMPLAINT INFORMATION INDICTMENT
 SUPERSEDING: Case No.

OFFENSE CHARGED

Petty

Misdemeanor

Felony

Place of offense
FRESNO COUNTY

U.S.C. Citation
See Indictment

Name of District Court, and/or Judge/Magistrate Judge Location (City)
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

DEFENDANT -- U.S. vs.
JEFFREY SCOTT HEDGES

Address {

Birth Date

Male

Alien

Female

(if applicable)

(Optional unless a juvenile)

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

MARK SILVA - IRS

person is awaiting trial in another Federal or State Court, give name of court

this person/proceeding is transferred from another district per FRCrP 20 21 40. Show District

this is a reprosecution of charges previously dismissed which were dismissed on motion of:

U.S. Att'y Defense

this prosecution relates to a pending case involving this same defendant

prior proceedings or appearance(s) before U.S. Magistrate Judge regarding this defendant were recorded under

SHOW
DOCKET NO.

MAGISTRATE
JUDGE CASE NO.

Name and Office of Person
Furnishing Information on
THIS FORM

LYNETTE DIXON

U.S. Att'y Other U.S. Agency

Name of Asst. U.S.
Att'y (if assigned)

LAURA D. WITHERS

DEFENDANT

IS NOT IN CUSTODY

- 1) Has not been arrested, pending outcome of this proceeding
If not detained, give date any prior summons was served on above charges
- 2) Is a Fugitive
- 3) Is on Bail or Release from (show District)

IS IN CUSTODY

- 4) On this charge
- 5) On another conviction
- 6) Awaiting trial on other charges } Fed'l State
If answer to (6) is "Yes," show name of institution

Has detainer been filed? Yes No

If "Yes," give date filed

Mo. Day Year

DATE OF ARREST

Or ... if Arresting Agency & Warrant were not Federal

Mo. Day Year

DATE TRANSFERRED TO U.S. CUSTODY

This report amends AO 257 previously submitted

ADDITIONAL INFORMATION OR COMMENTS

ADD FORFEITURE UNIT (Check if Forfeiture Allegation)

ISSUE NO BAIL WARRANT

United States v. Jeffrey Scott Hedges
Penalties for Indictment

Defendant

JEFFREY SCOTT HEDGES

COUNTS 1 -- 21:

VIOLATION: 18 U.S.C. § 1343 – Wire Fraud

PENALTIES: 20 years' imprisonment and/or \$250,000 fine
3 years' supervised release

SPECIAL ASSESSMENT: \$100 (mandatory on each count)

COUNT 22:

VIOLATION: 18 U.S.C. §§ 1957, 2 – Money Laundering

PENALTIES: 10 years' imprisonment and/or \$250,000 fine
3 years' supervised release

SPECIAL ASSESSMENT: \$100 (mandatory on each count)

FORFEITURE ALLEGATION:

VIOLATION:

PENALTIES: As stated in the charging document