

THE UNITED STATES ATTORNEY'S OFFICE  
EASTERN DISTRICT *of* CALIFORNIA

**Department of Justice**  
U.S. Attorney's Office  
Eastern District of California

FOR IMMEDIATE RELEASE

Monday, August 3, 2015

## **Fresno Man Sentenced for Extensive Fraudulent Bonding Scheme and Aggravated Identity Theft**

FRESNO, Calif. — Abel Martin Carreon, 57, of Fresno, was sentenced today by Senior United States District Judge Anthony W. Ishii to five years and five months in prison for one count of mail fraud and one count of aggravated identity theft, United States Attorney Benjamin B. Wagner announced. Carreon was also ordered to pay \$1,253,000 in restitution.

According to court documents, between April 2005 and May 2011, Carreon carried out a scheme to defraud the United States and private companies seeking to perform contracted work for the United States. Through his company Tripartite Escrow Corporation (TEC), he offered bonding services to prospective government contractors throughout the United States that included bid bonds to secure a bid on a government contract and performance and payment bonds to insure the work on a government contract.

Surety bonds are required for certain federal government contracts. If a contractor defaults, the surety bonds compensate the government for the financial loss incurred. To be acceptable under federal regulations the bonding company must pledge acceptable assets with a value equal to or exceeding the amount of each bond, and submit a sworn affidavit disclosing the identity of the surety and verifying the existence and acceptability of the assets under penalty of prosecution.

According to the plea agreement, the bond packages Carreon submitted contained false statements and fraudulent documents. He pledged as collateral common stock that did not exist, was worth substantially less than represented, or was pledged across multiple bonds without full disclosure. He used forged notary stamps and notary signatures and other forged signatures on the bond documents.

Once the false and fraudulent performance and payment bonds were accepted by the contracting government agency and work began under the contract, the government would make payments on the contract to the contractor, including Carreon's bond premium. The United States and

government contractors paid Carreon for false and fraudulent payment and performance bonds, which resulted in a loss of approximately \$1,250,000.

"As evidenced by the sentence handed down against Able Carreon, the Department of Transportation Office of Inspector General (DOT OIG) remains steadfast in its commitment to maintaining the integrity of the Nation's transportation infrastructure programs," said William Swallow, regional Special Agent-In-Charge, DOT OIG. "Working with our law enforcement and prosecutorial colleagues, we will continue to protect the taxpayers' investment in our nation's infrastructure from fraud, waste, abuse and violations of law."

"Today's sentencing of Abel Martin Carreon reaffirms the Department of Homeland Security (DHS), Office of Inspector General's (OIG) commitment to aggressively pursue, investigate, and hold accountable those who commit fraud against DHS and the Federal Emergency Management Agency. Protecting the integrity of DHS programs and operations remains one of the highest priorities of DHS OIG. We would like to thank our law enforcement partners and the U.S. Attorney's Office for their outstanding efforts in this matter." Roger T. Merchant, Special Agent in Charge, DHS OIG, Los Angeles Field Office.

This case was the product of an investigation by the U.S. Department of Transportation, Office of Inspector General; the U.S. Department of the Interior, Office of Inspector General; the U.S. Department of Defense, Office of Inspector General; the U.S. Army, Criminal Investigation Command; the U.S. Air Force, Office of Special Investigations; the Defense Criminal Investigative Service; the U.S. Department of Agriculture, Office of Inspector General; the Department of Homeland Security, Office of Inspector General; and the U.S. General Services Administration, Office of Inspector General. Assistant United States Attorney Henry Z. Carbajal III prosecuted the case.

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