

## WFG Underwriting Bulletin



To: All California WFG Policy Issuing Agents; All WFG Title Examiners and Officers  
From: Underwriting Department  
Date: September 17, 2018  
Bulletin No. CA 2018-08  
Subject: Litigation Involving American Broker's Conduit

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American Brokers' Conduit – a legitimate mortgage lender – was the victim of a fraud. In this fraud, the now convicted perpetrator formed a similar sounding entity, acquired properties through “strawmen” and set up court challenges to the validity of legitimate mortgages held in the name of the real American Broker's Conduit. They then settled with “themselves” and had orders and judgments entered declaring the mortgage liens invalid. The final step was selling the now facially “free and clear” properties.

Although the perpetrator has been convicted for his crimes, we have no assurance that all of his activity has been stripped from the land records and the court records.

If you come across court orders or judgments stripping liens involving American Broker's Conduit or similar names, contact your WFG Underwriter before proceeding.

We've seen and advised about other variations of this scam – satisfactions/reconveyances without a record transaction to explain the source of funds [NB 2015-10](#); [CA09-005](#); forged trustee deeds, and non-existent foreclosures [CA 2018-06](#), [CA 2017-01](#), [NV 2017-01](#), [AZ 2017-01](#), [CA10-002](#) – reminding us that we need to be eternally vigilant about any document or fact pattern that feels weird.

More information about this particular fraud can be seen [here](#):

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**The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.**