

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA,

v.

CHRISTOPHER B. MASELLI

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CRIMINAL NO.

In violation of
18 U.S.C. § 1344

FILED
JUN 17 2010
U.S. DISTRICT COURT
DISTRICT OF RHODE ISLAND

INDICTMENT

CR 10

83ML

The Grand Jury charges that:

Introduction

1. At all times relevant to this Indictment, defendant CHRISTOPHER B. MASELLI resided within the State of Rhode Island.
2. At all times relevant to this Indictment, Flagstar Bank, First Horizon National Corporation (First Horizon), and MetLife Bank N.A. (MetLife), were financial institutions doing business in the District of Rhode Island. The deposits of these financial institutions were federally insured by the Federal Deposit Insurance Corporation. These financial institutions were each in the business of issuing loans to prospective or current homeowners for the purchase or refinancing of real property.
3. At all times relevant to this Indictment, these financial institutions required that information concerning the income of a mortgage applicant be submitted before approving a loan, the proceeds of which would be used to purchase real property or refinance loans on real property already owned. In many instances, for applicants who were self-employed, these financial institutions required the applicants to submit copies of tax returns filed with the Internal Revenue Service (IRS) to verify the applicants' self-employment income. Furthermore, the financial institutions required information concerning the current assets of the applicants,

including the amounts of money held in any bank accounts. The financial institutions required applicants to submit copies of bank statements in order to verify their current assets.

4. At all times relevant to this Indictment, Domestic Bank, Inc. (Domestic Bank) was a financial institution doing business in the District of Rhode Island. The deposits of Domestic Bank were federally insured by the Federal Deposit Insurance Corporation. Domestic Bank was in the business of issuing loans to individuals for the purchase of automobiles. Domestic Bank was also in the business of issuing home improvement loans to homeowners.

5. At all times relevant to this Indictment, Domestic Bank required that information concerning the income and liabilities of loan applicants be submitted before approving a loan, the proceeds of which would be used to purchase an automobile or fund a home improvement loan. In many instances, for applicants who were self-employed, Domestic Bank required applicants to submit copies of tax returns filed with the IRS to verify the applicants' self-employment income.

Count 1

32 Goldenview Drive Flagstar Bank Loan

Scheme and Artifice to Defraud

6. In or about December 2007, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, Flagstar Bank by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

7. It was the object of the scheme and artifice to defraud to obtain a residential mortgage for 32 Goldenview Drive, Johnston, Rhode Island, in the amount of \$283,000 from Flagstar Bank by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

8. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to Flagstar Bank.

9. It was further part of the scheme to defraud that on or about December 12, 2007, defendant MASELLI signed and submitted a mortgage application to Flagstar Bank in which he falsely represented that his monthly employment income was \$9,365.33, and that he possessed \$11,756.85 in assets in Citizens Bank account No. ****-326-4 available toward purchase.

10. It was further part of the scheme to defraud that on or about December 12, 2007, to verify his representation that his monthly employment income was \$9,365.33, defendant MASELLI provided Flagstar Bank with false and fraudulent copies of his 2005 and 2006 personal income tax returns, said returns which falsely stated that for tax year 2005 defendant MASELLI had business income of \$133,818 and for tax year 2006 defendant MASELLI had business income of \$112,384.

11. It was further part of the scheme to defraud that on or about December 12, 2007, to verify his representation that he possessed \$11,756.85 in assets in Citizens Bank account No. ****-326-4 available toward purchase, defendant MASELLI provided Flagstar Bank with false and fraudulent Citizens Bank statements in the name of "Christopher B. Maselli."

Execution of the Scheme

12. In or about December 2007, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, Flagstar Bank, specifically to obtain a residential mortgage in the amount of \$283,000 for property located at 32 Goldenvue Drive, Johnston, Rhode Island, by signing and submitting a false and fraudulent mortgage application and by submitting false and fraudulent documents to verify his income and assets.

All in violation of Title 18, United States Code § 1344.

Count 2

58 Peckham First Horizon Loan

13. The Grand Jury incorporates by reference paragraphs one through three as if fully set forth herein.

Scheme and Artifice to Defraud

14. In or about April 2008 and continuing through in or about May 2008, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, First Horizon by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

15. It was the object of the scheme and artifice to defraud to obtain a residential mortgage for 58 Peckham Avenue, North Providence, Rhode Island in the amount of \$157,781

from First Horizon by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

16. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to First Horizon.

17. It was further part of the scheme to defraud that on or about April 10, 2008, defendant MASELLI signed and submitted a mortgage application to First Horizon in which he falsely represented that his monthly employment income was \$9,365 and that he possessed \$15,531 in assets in a Citizens Bank account available toward purchase.

18. It was further part of the scheme to defraud that on or about April 10, 2008, to verify his representation that his monthly employment income was \$9,365, defendant MASELLI provided First Horizon with false and fraudulent copies of his 2005 and 2006 personal income tax returns, said returns which falsely stated that for tax year 2005 defendant MASELLI had business income of \$133,818 and for tax year 2006 defendant MASELLI had business income of \$112,384.

19. It was further part of the scheme to defraud that on or about April 10, 2008, to verify his representation that he possessed \$15,531 in assets in a Citizens Bank account available toward purchase, defendant MASELLI provided First Horizon with a false and fraudulent Citizens Bank statement in the name of "Christopher B. Maselli."

Execution of the Scheme

20. In or about April 2008 and continuing through in or about May 2008, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally

execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, First Horizon, specifically to obtain a residential mortgage in the amount of \$157,781 for property located at 58 Peckham Avenue, North Providence, Rhode Island, by signing and submitting a false and fraudulent mortgage application and by submitting false and fraudulent documents to verify his income and assets.

All in violation of Title 18, United States Code § 1344.

Count 3

58 Peckham Flagstar Bank Loan

21. The Grand Jury incorporates by reference paragraphs one through three as if fully set forth herein.

Scheme and Artifice to Defraud

22. In or about August 2008, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, Flagstar Bank by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

23. It was the object of the scheme and artifice to defraud to obtain a residential mortgage for 58 Peckham Avenue, North Providence, Rhode Island in the amount of \$160,000 from Flagstar Bank by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

24. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to Flagstar Bank.

25. It was further part of the scheme to defraud that on or about August 22, 2008, defendant MASELLI signed and submitted a mortgage application to Flagstar Bank in which he falsely represented that his monthly employment income was \$9,183.92 and that he possessed \$16,000 in assets in a Citizens Bank account available toward purchase.

26. It was further part of the scheme to defraud that on or about August 22, 2008, to verify his representation that he had monthly employment income of \$9,183.92, defendant MASELLI provided Flagstar Bank with false and fraudulent copies of his 2006 and 2007 personal income tax returns, said returns which falsely stated that for tax year 2006 defendant MASELLI had business income of \$112,384 and for tax year 2007 defendant MASELLI had business income of \$108,030.

27. It was further part of the scheme to defraud that on or about August 22, 2008, 2008, to verify his representation that he possessed \$16,000 in assets in a Citizens Bank account available toward purchase, defendant MASELLI provided Flagstar Bank with false and fraudulent Citizens Bank statements in the name of "Christopher B. Maselli."

Execution of the Scheme

28. In or about August 2008, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, Flagstar Bank, specifically to obtain a residential mortgage in the

amount of \$160,000 for property located at 58 Peckham Avenue, North Providence, Rhode Island, by signing and submitting a false and fraudulent mortgage application and by submitting false and fraudulent documents to verify his income and assets.

All in violation of Title 18, United States Code § 1344.

Count 4

131 Winsor Avenue First Horizon/ MetLife Loan

29. The Grand Jury incorporates by reference paragraphs one through three as if fully set forth herein.

30. On or about August 31, 2008, MetLife purchased First Horizon's mortgage business.

Scheme and Artifice to Defraud

31. In or about August 2008 and continuing through in or about September 2008, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, First Horizon and MetLife, by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

32. It was the object of the scheme and artifice to defraud to obtain a residential mortgage for property located at 131 Winsor Avenue, Johnston, Rhode Island, in the amount of \$448,467 from First Horizon and MetLife by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

33. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to First Horizon and MetLife.

34. It was further part of the scheme to defraud that on or about August 28, 2008, defendant MASELLI signed and submitted a mortgage application to First Horizon and MetLife in which he falsely represented that his monthly employment income was \$10,258.42.

35. It was further part of the scheme to defraud that on or about August 28, 2008, to verify his representation that he had monthly employment income of \$10,258.42, defendant MASELLI provided First Horizon and MetLife with false and fraudulent copies of his 2006 and 2007 personal income tax returns, said returns which falsely stated that for tax year 2006 defendant MASELLI had business income of \$112,384 and for tax year 2007 defendant MASELLI had business income of \$108,030.

Execution of the Scheme

36. In or about August 2008 and continuing through in or about September 2008, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of First Horizon and MetLife, specifically to obtain a residential mortgage in the amount of \$448,467 for property located at 131 Winsor Avenue, Johnston, Rhode Island, by signing and submitting a false and fraudulent mortgage application and by submitting false and fraudulent documents to verify his income.

All in violation of Title 18, United States Code § 1344.

Count 5

Domestic Bank Auto Loan

37. The Grand Jury incorporates by reference paragraphs one, four and five as if fully set forth herein.

Scheme and Artifice to Defraud

38. In or about October 2008, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, Domestic Bank by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

39. It was the object of the scheme and artifice to defraud to obtain an automobile loan in the amount of \$23,518.50 from Domestic Bank by submitting false and fraudulent information concerning defendant MASELLI's income, assets, and liabilities.

Manner and Means

40. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to Domestic Bank.

41. It was further part of the scheme to defraud that on or about October 29, 2008, defendant MASELLI signed and submitted an automobile loan application to Domestic Bank to purchase a 2005 Lexus SUV in which he falsely represented that his monthly income was \$9,000 and that his monthly mortgage payment for the 131 Winsor Avenue property was \$1,500.

42. It was further part of the scheme to defraud that on or about October 29, 2008, to verify his representation that he had monthly income of \$9,000, defendant MASELLI provided

Domestic Bank with a false and fraudulent copy of his 2007 personal income tax return, said return which falsely stated that for the tax year 2007, defendant MASELLI had business income of \$108,030.

Execution of the Scheme

43. In or about October 2008, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, Domestic Bank, specifically to obtain an automobile loan in the amount of \$23,518.50, by signing and submitting a false and fraudulent automobile loan application and by submitting false and fraudulent documents to verify his income.

All in violation of Title 18, United States Code § 1344.

Count 6

Domestic Bank Home Improvement Loan

44. The Grand Jury incorporates by reference paragraphs one, four and five as if fully set forth herein.

Scheme and Artifice to Defraud

45. In or about November 2008, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, Domestic Bank by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

46. It was the object of the scheme and artifice to defraud to obtain a home improvement loan in the amount of \$25,000 from Domestic Bank by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

47. It was part of the scheme to defraud that defendant MASELLI submitted false and fraudulent information regarding his financial resources to Domestic Bank.

48. It was further part of the scheme to defraud that on or about November 22, 2008, defendant MASELLI signed and submitted a home improvement loan application to Domestic Bank in which he falsely represented that his monthly self-employment income was \$9,684.

49. It was further part of the scheme to defraud that on or about November 22, 2008, to verify his representation that he had monthly self-employment income of \$9,684, defendant MASELLI provided Domestic Bank with false and fraudulent copies of his 2006 and 2007 personal income tax returns, said returns which falsely stated that for tax year 2006 defendant MASELLI had business income of \$112,384 and for tax year 2007 defendant MASELLI had business income of \$108,030.

Execution of the Scheme

50. In or about November 2008, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, Domestic Bank, specifically to obtain a home improvement loan in the amount of \$25,000, by signing and submitting a false and fraudulent

home improvement loan application and by submitting false and fraudulent documents to verify his income.

All in violation of Title 18, United States Code § 1344.

Count 7

131 Winsor Avenue MetLife Refinance

51. The Grand Jury incorporates by reference paragraphs one through three as if fully set forth herein.

Scheme and Artifice to Defraud

52. In or about March 2009, in the District of Rhode Island and elsewhere, defendant MASELLI knowingly executed and attempted to execute a scheme and artifice to defraud and to obtain money, funds, assets, and other property owned by, and under the custody and control of, MetLife by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice to Defraud

53. It was the object of the scheme and artifice to defraud to obtain a streamline refinance residential mortgage for property located at 131 Winsor Avenue, Johnston, Rhode Island, in the amount of \$452,081 from MetLife by submitting false and fraudulent information concerning defendant MASELLI's income and assets.

Manner and Means

54. It was part of the scheme to defraud that on or about March 26, 2009, defendant MASELLI signed and submitted a mortgage application to MetLife in which he falsely represented that his monthly employment income was \$10,258.42.

Execution of the Scheme

55. In or about March 2009, in the District of Rhode Island and elsewhere, defendant MASELLI did knowingly and intentionally execute and attempt to execute the aforesaid scheme and artifice to defraud and to obtain money, funds, assets and other property owned by, and under the custody and control of, MetLife, specifically to obtain a streamline refinance residential mortgage in the amount of \$452,081 for property located at 131 Winsor Avenue, Johnston, Rhode Island, by signing and submitting a false and fraudulent mortgage application and by submitting false and fraudulent documents to verify his income

All in violation of Title 18, United States Code § 1344.

A TRUE BILL:

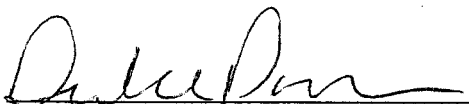
REDACTED

Grand Jury Foreperson

PETER F. NERONHA
UNITED STATES ATTORNEY



STEPHEN G. DAMBRUCH
Assistant U. S. Attorney
Criminal Chief



DULCE DONOVAN
Assistant U.S. Attorney

DATED: June 17, 2010

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

BY: ☐ INFORMATION ☒ INDICTMENT ☐ COMPLAINT CASE NO. _____Matter Sealed: ☐ Juvenile ☐ Other than Juvenile☐ Pre-Indictment Plea ☐ Superseding ☐ Defendant Added
☐ Indictment ☐ Charges/Counts Added
☐ Information

Name of District Court, and/or Judge/Magistrate Location (City)

UNITED STATES DISTRICT COURT RHODE ISLAND
DISTRICT OF Divisional OfficeName and Office of Person
Furnishing Information on
THIS FORM

PETER F. NERONHA

☐ U.S. Atty ☐ Other U.S. Agency
Phone No. (401) 709-5000Name of Asst.
U.S. Attorney
(if assigned)

DULCE DONOVAN

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)
FEDERAL BUREAU OF INVESTIGATION☐ person is awaiting trial in another Federal or State Court
(give name of court)☐ this person/proceeding transferred from another district
per (circle one) FRCrP 20, 21 or 40. Show District☐ this is a reprosecution of charges
previously dismissed which were
dismissed on motion of:☐ U.S. Atty ☐ Defense☐ this prosecution relates to a
pending case involving this same
defendant. (Notice of Related
Case must still be filed with the
Clerk.)SHOW
DOCKET NO.☐ prior proceedings or appearance(s)
before U.S. Magistrate Judge
regarding this defendant were
recorded underMAG. JUDGE
CASE NO.Place of
offense

RHODE ISLAND

County

USA vs.

Defendant: CHRISTOPHER B. MASELLI

Address

REDACTED☐Birth
DateAlien
plicable)

Social

Issue: ☐ Warrant ☒ Summons

Location Status:

Arrest Date _____ or Date Transferred to Federal Custody _____

☐ Currently in Federal Custody☐ Currently in State Custody☐ Writ Required☐ Currently on bond☐ Fugitive

Defense Counsel (if any): _____

☐ FPD ☐ CJA ☐ RET'D☐ Appointed on Target Letter☐ This report amends AO 257 previously submitted

OFFENSE CHARGED - U.S.C. CITATION - STATUTORY MAXIMUM PENALTIES - ADDITIONAL INFORMATION OR COMMENTS

Total # of Counts 7

Set	Title & Section/Offense Level (Petty = 1 / Misdemeanor = 3 / Felony = 4)	Description of Offense Charged	Felony/Misd.
	Counts 1 through 7 - 18 U.S.C. 1344	bank fraud	<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
	Max Penalties for each Count: 30 years		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
	imprisonment; \$1 million fine; 5 years		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
	supervised release; \$100 mandatory special		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor
	assessment	Estimated time for trial: 3 days	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor