

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA : CRIMINAL NO. _____
v. : DATE FILED: _____
MELVIN D. SHAW : VIOLATIONS: 18 U.S.C. § 1343
(Wire fraud – 10 counts)
: 18 U.S.C. § 1341
(Mail fraud – 4 counts)
18 U.S.C. § 981(a)(1)(C)
(Forfeiture)

INDICTMENT

COUNTS ONE THROUGH NINE

THE GRAND JURY CHARGES THAT:

At all times material to this Indictment:

1. Defendant MELVIN D. SHAW owned and operated Shaw Auto Sport, a used car dealership, out of his home in Voorhees, New Jersey.
2. In or about November 2001, defendant MELVIN D. SHAW relocated his used car business to the Eastern District of Pennsylvania, opening up a more formal dealership, Philly Motor Sport, in Philadelphia.
3. Defendant MELVIN D. SHAW specialized in sales of used, luxury automobiles, and he negotiated car sales, signed contracts, and hosted online car auctions on behalf of his dealerships.

The Scheme To Defraud

4. From in or about December 2000, through in or about March 2003, defendant

MELVIN D. SHAW

devised and intended to devise a scheme to defraud customers and clients of Shaw Auto Sport and Philly Motor Sport, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, by misrepresenting the quality, ownership and availability of the vehicles defendant sold and of their titles, and by failing to produce and remit payment and titles for the vehicles defendant sold.

Manner and Means of Executing the Scheme

It was part of the scheme that:

5. Defendant MELVIN D. SHAW did not possess the necessary license to sell cars, but rather used the name of another, licensed car dealer when completing title and other paperwork.

6. Defendant MELVIN D. SHAW sold cars, took money for those cars, and then failed to produce the cars and their titles.

7. Defendant MELVIN D. SHAW sold cars on consignment and on behalf of other parties, and then failed to pay those parties when the cars were sold.

8. Defendant MELVIN D. SHAW knowingly misrepresented the history and condition of the cars he sold.

9. As a result of the scheme to defraud, defendant MELVIN D. SHAW caused over 30 victims to pay him over \$500,000.

10. On or about the dates listed below, at Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
1	January 8, 2002	Wire of \$55,000 from Tennessee to Philadelphia, Pennsylvania, for purchase of a 2001 Mercedes S430.
2	June 7, 2002	Wire of \$30,100 from California to Philadelphia, Pennsylvania, for purchase of a 2001 Volvo V70 Cross Country.
3	July 3, 2002	Wire of \$29,000 from Michigan to Philadelphia, Pennsylvania, for purchase of a 2001 Volvo V70 Cross Country.
4	November 15, 2002	Wire of \$155,000 from New York to Philadelphia, Pennsylvania, for purchase of a 2002 Aston Martin Vanquish
5	November 21, 2002	Wire of \$18,000 from Washington to Philadelphia, Pennsylvania, for purchase of a 2001 Cadillac DeVille.
6	January 6, 2003	Wire of \$21,500 from California to Philadelphia, Pennsylvania, for purchase of a 2000 BMW M Roadster.
7	January 10, 2003	Wire of \$32,000 from California to Philadelphia, Pennsylvania, for purchase of a 1999 Mercedes-Benz CLK320 Convertible.

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| 8 | January 21, 2003 | Wire of \$35,500 from Texas to Philadelphia, Pennsylvania, for purchase of a 2000 Jaguar XK8. |
| 9 | March 20, 2003 | Wire of \$1,000 from Texas to Philadelphia, for purchase of a 2000 BMW M Roadster. |

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

COUNT TEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-9 of Counts One through Nine are realleged here.

2. On or about September 11, 2002, at Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, having devised and intending to devise the scheme, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme and attempting to do so, knowingly caused to be delivered by U.S. mail a check, number 4875, in the amount of \$10,000, mailed from Maine to Philadelphia, Pennsylvania, for purchase of a 2001 BMW 740i.

In violation of Title 18, United States Code, Section 1341.

COUNT ELEVEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-9 of Counts One through Nine are realleged here.

2. On or about November 8, 2002, at Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, having devised and intending to devise the scheme, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme and attempting to do so, knowingly caused to be delivered by private and commercial interstate carrier a check, number 1652576, in the amount of \$30,000, mailed from California to Philadelphia, Pennsylvania, for purchase of a 2001 Porsche Boxter convertible.

In violation of Title 18, United States Code, Section 1341.

COUNT TWELVE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-9 of Counts One through Nine are realleged here.

2. On or about January 15, 2003, at Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, having devised and intending to devise the scheme, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme and attempting to do so, knowingly caused to be delivered by U.S. mail a check, number 14767, in the amount of \$22,100, mailed from Indiana to Philadelphia, Pennsylvania, for purchase of a 2001 Cadillac DeVille.

In violation of Title 18, United States Code, Section 1341.

COUNT THIRTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-9 of Counts One through Nine are realleged here.

2. On or about February 7, 2003, at Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, having devised and intending to devise the scheme, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme and attempting to do so, knowingly caused to be delivered by private and commercial interstate carrier a certified check in the amount of \$44,500, sent from Louisiana to Philadelphia, Pennsylvania, for purchase of a 2001 Mercedes-Benz S600.

In violation of Title 18, United States Code, Section 1341.

COUNT FOURTEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-3 of Counts One through Nine are realleged here.

The Scheme to Defraud

2. From in or about October 2001, to in or about August 2002, defendant

MELVIN D. SHAW

devised and intended to devise a scheme to defraud business associates of Shaw Auto Sport and Philly Motor Sport, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, in order to induce investments and loans from those business associates.

Manner and Means of Executing the Scheme

It was part of the scheme that:

3. Defendant MELVIN D. SHAW borrowed money from third parties and pledged as collateral certain cars, fraudulently misrepresenting that he owned such cars and that no other person had any interest in or claim against such cars.
4. Defendant MELVIN D. SHAW borrowed money from a third party and agreed to share with that party profits earned from the purchase and re-sale of a particular car, fraudulently misrepresenting the condition and history of that car.
5. As a result of this scheme to defraud, Shaw secured loans and investments in excess of \$300,000.

6. On or about February 13, 2002, in the Eastern District of Pennsylvania, and elsewhere, defendant

MELVIN D. SHAW,

for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce a wire of \$55,000, from Tennessee to Philadelphia, Pennsylvania, for purchase and then re-sale of a 2001 Mercedes-Benz S500.

In violation of Title 18, United States Code, Section 1343.

NOTICE OF FORFEITURE

1. As a result of the violations of Title 18, United States Code, Sections 1341 and 1343, set forth in Counts One through Fourteen of this Indictment, the defendant

MELVIN D. SHAW

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses, as charged in this Indictment, including, but not limited to:

All funds seized from Citizen's Bank
account number 6106848320 pursuant
to a seizure warrant issued on or about
June 24, 2003.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

A TRUE BILL:

FOREPERSON

PATRICK L. MEEHAN
United States Attorney