

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

UNITED STATES OF AMERICA	:	DATE FILED: _____
v.	:	CRIMINAL NO. _____
SUSAN J. CASE	:	VIOLATION: 18 U.S.C. § 657
	:	(Bank Embezzlement
	:	- 1 Count);
	:	18 U.S.C. § 1006
	:	(False Federal Credit
	:	Institution Entry
	:	- 1 Count);
	:	26 U.S.C. § 7206
	:	(Filing False Tax Return
	:	-1 Count);

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

INTRODUCTION

At all times material to this Information:

1. The Padua Federal Credit Union (“PFCU”) was a federally insured financial institution, as that term is defined in Title 18, United States Code, Section 20. PFCU was opened as a credit union in or about 1956. Until it was involuntarily liquidated on June 29, 2001 by the National Credit Union Administration due to insolvency, PFCU provided banking and financial services to approximately 1,000 parishioners of Catholic churches in the Easton, Pennsylvania vicinity. PFCU conducted most of its business out of an office located at 825

Lehigh Street, Easton, Pennsylvania.

2. Defendant SUSAN J. CASE was employed as the manager of the PFCU and was responsible for conducting the regular business activities of PFCU, including bookkeeping, teller work, and supervising loan activity. CASE reported to a Board of Directors of PFCU and prepared an annual audit report to the Board concerning the financial condition of the PFCU.

3. Defendant SUSAN J. CASE opened savings and checking accounts for herself at the PFCU.

4. Between in or about September 1994 and on or about December 20, 2000, defendant SUSAN J. CASE created phony deposit slips to credit into her personal accounts money embezzled from the PFCU.

5. Defendant SUSAN J. CASE created fictitious PFCU financial records, including bank reconciliations, cash account sheets, and audit reports to disguise the embezzlement of funds from PFCU.

6. From in or about September 1994 to on or about December 28, 2000, at Easton in the Eastern District of Pennsylvania, defendant

SUSAN J. CASE

being an employee of the Padua Federal Credit Union, the accounts of which were insured by the National Credit Union Share Insurance Fund, Charter No. 11210, knowingly embezzled,

abstracted, purloined and willfully misapplied the sum of approximately \$182,790 of the moneys, funds, and assets

intrusted to the custody and care of that institution.

In violation of Title 18, United States Code, Section 656.

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 5 of Count One of this Information are incorporated by reference.

2. Defendant SUSAN J. CASE hid delinquent loans held by members of PFCU from the PFCU Board of Directors and from credit union examiners of the National Credit Union Administration, an agency of the United States.

3. In or about September 1995, defendant SUSAN J. CASE and the PFCU were directed by a credit union examiner of the National Credit Union Administration to engage a certified public accountant (CPA) to conduct a certified annual audit of the PFCU.

4. On an annual basis, between in or about December 1995 and in or about December 1999, defendant SUSAN J. CASE prepared a report titled "Annual Audit Report" which purportedly examined the financial condition of the PFCU. CASE falsely represented on the reports that they were prepared by a CPA and submitted the reports to the PFCU Board of Directors.

5. The annual reports prepared by SUSAN J. CASE presented false information relating to the delinquency of PFCU loans, PFCU record keeping, and the financial status of the PFCU. The false reports hid from the PFCU Board of Directors and the National Credit Union Administration the poor financial condition of the PFCU.

6. In or about December 1999, at Easton in the Eastern District of Pennsylvania, defendant

SUSAN J. CASE

being an employee of the Padua Federal Credit Union, the accounts of which were insured by the National Credit Union Share Insurance Fund, Charter No. 11210, with intent to defraud the Board of Directors of the Padua Federal Credit Union and the National Credit Union Administration, an agency of the United States, knowingly made a false entry in a report to the Padua Federal Credit Union, that is, the 1999 Annual Audit Report, in that the defendant presented false financial information relating to the credit union and falsely represented that the report was conducted by a certified public accountant.

In violation of Title 18, United States Code, Section 1006.

COUNT THREE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

1. Paragraphs 1 through 5 of Count One of this Information are incorporated by reference.
2. On or about April 11, 1999, at Philadelphia, in the Eastern District of Pennsylvania, defendant

SUSAN J. CASE

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 1998, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, at Philadelphia, Pennsylvania, which defendant **SUSAN J. CASE** did not believe to be true and correct as to every material matter, in that the return reported income for herself and her spouse of \$74,979, when in fact defendant CASE well knew she had not included approximately \$46,800 in additional income CASE had embezzled from the Padua Federal Credit Union, and therefore under reported her total income.

In violation of Title 26, United States Code, Section 7206(1).

PATRICK L. MEEHAN
United States Attorney