

ORIGINAL FILED

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

AUG 11 2008

PATTY SHWARTZ  
U.S. MAG. JUDGE

UNITED STATES OF AMERICA

CRIMINAL COMPLAINT

v.

Case No.: 08-3135

MARCIA SLADICH

I, Lindsay Garland, being duly sworn, state the following is true and correct to the best of my knowledge and belief. From in or about 2004 through in or about August 2007, in Passaic County, in the District of New Jersey and elsewhere, the defendant MARCIA SLADICH did:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

Lindsay Garland, Special Agent  
Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

August 11, 2008 at  
Date

Newark, New Jersey  
City and State

HONORABLE PATTY SHWARTZ  
United States Magistrate Judge  
Name & Title of Judicial Officer

  
Signature of Judicial Officer

ATTACHMENT A

Count 1  
(Mail Fraud )

From in or about 2004 through in or about August 2007, in the District of New Jersey and elsewhere, the defendant

MARCIA SLADICH

did knowingly devise and intend to devise a scheme and artifice to defraud, and for obtaining money and property by means of material false and fraudulent pretenses, representations, and promises, and for purposes of executing and attempting to execute this scheme, the defendant did place and caused to be placed in a post office and authorized depository for mail to be delivered by the United States Postal Service certain mail matter for the purpose of executing such scheme and artifice, as described in paragraph 24 below.

In violation of Title 18, United States Code, Section 1341, and Title 18, United States Code, Section 2.

## ATTACHMENT B

I, Lindsay Garland, a Special Agent of the Federal Bureau of Investigation, having conducted an investigation and having spoken with other individuals and reviewed reports and documents, have knowledge of the following facts:

### Overview of the Scheme

1. At all times relevant to this Complaint, defendant MARCIA SLADICH was a resident of Clifton, New Jersey. From in or about November 2006, defendant MARCIA SLADICH owned and operated Kay Services, LLC ("Kay Services"), a New Jersey limited liability corporation with offices in Clifton, New Jersey.

2. Beginning in 2004 and continuing through at least August 2007, defendant MARCIA SLADICH solicited hundreds of investors to invest their money with her and Kay Services.

3. In connection with the purported investment program, in both oral and written representations, defendant MARIA SLADICH represented to investors, among other things, that a successful real estate businesswoman with the initials "AK" would be responsible for investing their money in real property in the United States and abroad.

4. Defendant MARCIA SLADICH also promised investors, among other things, that: (a) the investors would receive guaranteed returns on their investments of 100% per year; and (b) their investments would be secure and risk-free.

5. In return for their money, defendant MARCIA SLADICH provided investors with investment contracts or other evidence of indebtedness which were purportedly signed by defendant MARCIA SLADICH and AK.

6. Most of these investment contracts promised that for every \$3,000 invested, defendant MARCIA SLADICH or Kay Services would pay the investor \$500 per month for one year, with payments beginning the month following the investment.

7. In addition, defendant MARCIA SLADICH also promised investors an extra \$100 per month for every new investor they recruited to invest with her or Kay Services.

8. Based on these representations, the investors gave defendant MARCIA SLADICH money, which she deposited into her

personal bank accounts or bank accounts opened in the name of Kay Services which she controlled.

9. In total, defendant MARCIA SLADICH raised over \$10 million from hundreds of investors in New Jersey and throughout the world.

#### **Materially False and Misleading Statements**

10. Witnesses and documents obtained in connection with this investigation have revealed that defendant MARCIA SLADICH made numerous materially false and misleading statements concerning AK and defendant MARCIA SLADICH's use of investor funds.

11. Contrary to her written and verbal representations described above, defendant MARCIA SLADICH did not have a partner named AK who was responsible for buying and selling real estate in connection with this investment scheme.

12. In fact, the investigation has revealed that defendant MARCIA SLADICH forged the signature of AK on numerous investment contracts she provided to investors, and admitted to at least one investor that AK did not exist.

13. Furthermore, the investigation has revealed that during the course of this scheme, there were no bona fide investments made on behalf of investors. Indeed, bank records reveal that defendant MARCIA SLADICH and Kay Services had no revenue-generating business operations at all.

14. Instead, in order to perpetuate her fraudulent scheme, defendant MARCIA SLADICH simply used new investor money to make principal and interest payments to existing investors.

15. The investigation has also revealed that defendant MARCIA SLADICH misappropriated in excess of \$400,000 of investors' money to, among other things, purchase real estate in Florida and in Brazil in her name and in the names of her relatives for her own personal benefit.

16. For example, in December 2006, defendant MARCIA SLADICH used investor funds to purchase a vacation home in Florida. Defendant MARCIA SLADICH initially titled this property in her own and her husband's name. However, in late November 2007, after she became aware of the investigation, defendant MARCIA SLADICH transferred the property to a Kay Services employee.

17. The investigation has also revealed that defendant MARCIA SLADICH misappropriated investor funds to pay for numerous personal expenses, including, among other things, the mortgage on her personal residence, personal credit card bills, and various everyday personal expenses.

18. In or about April 2007, in an effort to perpetuate her fraudulent scheme, defendant MARCIA SLADICH convinced certain investors to re-invest their monthly payments and directed Kay Services employees to mislead investors about when they would receive payments due under their investment contracts.

19. In or about July 2007, defendant MARCIA SLADICH and Kay Services stopped paying investors causing numerous investors to suffer significant losses.

#### Mail Fraud Count

20. Between in or about May 2006 through in or about May 2007, Victim 1 invested approximately \$190,000 with defendant MARCIA SLADICH and Kay Services. In connection with these investments, defendant MARCIA SLADICH guaranteed that Victim 1's principal was secure and that Victim 1 would receive a 100% return in one year.

21. Defendant MARCIA SLADICH told Victim 1 that the money would be invested in real estate, and she had a partner, AK, in the real estate investments. Defendant MARCIA SLADICH told Victim 1 that AK was a millionaire and was affiliated with jewelry stores throughout New Jersey.

22. Defendant MARCIA SLADICH also represented to Victim 1 that she was able to pay a 100% return because the real estate investments generated a 1,000% profit.

23. Defendant MARCIA SLADICH told Victim 1 that she had money and personal real estate in Brazil that she could sell to pay back the investors' principal if the investments failed.

24. On or about June 6, 2006, defendant MARCIA SLADICH sent Victim 1 four unsigned investment contracts through the United States mail which contained the terms of Victim 1's initial \$21,000 investment. Victim 1 and Victim 1's spouse signed the investment contracts and returned them to defendant MARCIA SLADICH.

25. Shortly thereafter, defendant MARCIA SLADICH sent the fully executed investment contracts to Victim 1 through the

United States mail. The investment contracts were purportedly signed by AK.

26. Contrary to her representations to Victim 1, defendant MARCIA SLADICH did not invest any of Victim 1's money in real estate. Instead, she misappropriated the money for her personal benefit and used it to make principal and interest payments to existing investors.

27. At various times between June 2006 and July 2007, defendant MARCIA SLADICH made lulling payments to Victim 1 in the form of monthly payments totaling approximately \$66,500, causing Victim 1 to believe that Victim 1's investments with defendant MARCIA SLADICH were performing well. Based on these lulling payments, Victim 1 provided additional money to defendant MARCIA SLADICH to invest.

28. In or about August 2007, defendant MARCIA SLADICH stopped making the payments required pursuant to Victim 1's investment agreements. As a result, Victim 1 has suffered losses in excess of \$100,000.