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PRESS RELEASE

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FORMER INSURANCE SALESMAN CHARGED WITH FRAUD

Michael Craig Celenze, 66, a former Albuquerque resident most recently residing in Odessa, Texas, appeared before United States Magistrate Judge W. Daniel Schneider this morning on federal fraud charges. Celenze is charged with mail fraud, wire fraud, and assisting in the preparation of false income tax returns in a thirteen-count indictment that was filed on October 14, 2010. Celenze was arrested in Odessa on October 20, 2010 by Special Agents of the Internal Revenue Service, Criminal Investigation Division, and was transferred to Albuquerque to face the charges in the indictment pursuant to the order of United States Magistrate Judge David Counts in the Western District of Texas.

According to the indictment, Celenze held seminars around the United States in which he marketed the ownership of fractional shares in properties located in Puerto Peñasco, Mexico as tax-free investments with large returns. Celenze's seminars generally targeted older investors with established retirement funds and Celenze required a minimum \$50,000 investment from each investor. The indictment alleges that Celenze collected monies from investors and falsely represented to investors that their investment

was part of an Allianz Life Insurance retirement program. At the time, Celenze was, in fact, affiliated with Allianz as an insurance salesman, but he was not authorized to collect any rollover funds on behalf of Allianz. Celenze allegedly devised a scheme to provide false information to financial institutions to transfer investors' retirement accounts into an account that Celenze controlled.

Summary of Charges in Celenze Indictment

- Counts 1-3: 18 U.S.C. § 1341 – Mail Fraud. Maximum penalties: not more than twenty years imprisonment; \$250,000 fine; and three years supervised release.
- Counts 4-7 18 U.S.C. § 1343 – Wire Fraud. Maximum penalties: not more than twenty years imprisonment; \$250,000 fine; and three years supervised release.
- Counts 8-13 26 U.S.C. § 7206(2) – Assisting in Preparing of False or Fraudulent Documents. Maximum penalties: not more than three years imprisonment; \$250,000 fine; and one year supervised release.

United States Attorney Kenneth J. Gonzales said:

When we deposit our life savings, our retirement account, our college savings, into a financial institution, we entrust to that institution not only the funds themselves, but the hopes, dreams and aspirations those funds represent. Because of the high level of confidence we place in those institutions, my office will pursue with vigor any activities that threaten the integrity of our banking system. This indictment is just one example of that ongoing commitment.

This case was investigated by the Internal Revenue Service, Criminal Investigation Division, and is being prosecuted by Assistant United States Attorneys Sasha Siemel and John Anderson.

Charges in indictments are only accusations. All criminal defendants are presumed innocent unless proven guilty beyond a reasonable doubt.

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