

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. <u>11-261</u>
v.	:	DATE FILED: <u>September 13, 2011</u>
MIKEL D. JONES	:	VIOLATIONS:
DONA NICHOLS JONES	:	18 U.S.C. § 371 (conspiracy - 1 count)
	:	18 U.S.C. § 1341 (mail fraud - 16 counts)
	:	18 U.S.C. §§ 1343 and 1349 (wire fraud -
	:	16 counts)
	:	18 U.S.C. § 1956(a)(1)(B)(i) (money
	:	laundering - 1 count)
	:	18 U.S.C. § 2 (aiding and abetting)
	:	Notice of forfeiture

SECOND SUPERSEDING INDICTMENT

COUNTS ONE AND TWO

THE GRAND JURY CHARGES THAT:

BACKGROUND

At all times material to this Second Superseding Indictment:

1. Defendant MIKEL D. JONES owned and operated a law firm called the Mikel Jones Law Firm, LLC, (“the law firm”), which was located at 1831 Chestnut Street, 4th Floor, Philadelphia, Pennsylvania 19103. The law firm specialized in personal injury, wrongful death, and medical negligence cases. Defendant JONES employed between four to six individuals at the law firm and was licensed to practice law in, among other places, Pennsylvania and Florida. Defendant JONES had a law degree from Nova Southeastern University Law School.

2. The Philadelphia Commercial Development Corporation (“PCDC”) was a nonprofit corporation that promoted commercial development in the Philadelphia area. PCDC

was funded by the Commonwealth of Pennsylvania, the City of Philadelphia, and various other sources.

3. Minority Venture Partners Ltd. (“MVP”) was a venture capital fund financed entirely by more than \$1.6 million from the Commonwealth of Pennsylvania. The purpose of MVP was to make investments in and loans to promising minority businesses in the Philadelphia area. The managers of MVP were also the operators of PCDC.

THE SCHEME TO DEFRAUD

4. From in or about September 2005 to in or about September 2009, defendant

MIKEL D. JONES

devised and intended to devise a scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

5. In early 2006, defendant MIKEL D. JONES applied for funds from MVP to expand the Mikel Jones Law Firm and to fund working capital. In the application for the investment, defendant JONES provided various financial information about his law firm, including tax returns, information about his success as an attorney, and information about his cases.

6. Based on information supplied by defendant MIKEL D. JONES, MVP agreed to make an investment of approximately \$150,000 in the Mikel Jones Law Firm.

7. On or about January 27, 2006, defendant MIKEL D. JONES and MVP entered into an agreement in which defendant JONES agreed to use the \$150,000 to expand his business and to fund working capital. Defendant JONES agreed to repay the funds in 48 months. He also agreed to deposit two months principal payments into a bank account, and to deposit five percent of his gross sales each day into the bank account to use to repay the \$150,000. In conversations with officials of MVP and PCDC, defendant JONES represented that he would use the \$150,000 to expand and operate his law firm and for no other purpose.

8. In three separate transactions, MVP wire transferred the funds to a bank account defendant MIKEL D. JONES established in January 2006 to maintain the MVP funds. Specifically, on or about January 30, 2006, defendant JONES received by wire transfer \$75,000 from MVP. On or about March 26, 2006, JONES received a \$37,000 wire transfer from MVP. On or about May 9, 2006, defendant JONES sent to MVP by United States Mail a request for the remaining MVP funds. On or about May 25, 2006, MVP wire transferred \$35,000 to defendant JONES.

9. Defendant MIKEL D. JONES lied to MVP and its operators and did not use the MVP funds as required. Defendant JONES did not deposit principal payments into the bank account and did not deposit a portion of the receipts of his law firm into the account so that MVP could recoup its investment, as he agreed to do. Instead, defendant JONES concealed his theft of MVP funds by transferring the funds to his and his wife's personal bank accounts, from which he used the funds to pay personal expenses, including groceries, personal trips, credit card bills, and various sports tickets. Defendant JONES falsely told MVP representatives that he was using the funds to operate his law firm and did not disclose that he had diverted the funds to his

personal bank accounts. Also, defendant JONES did not file tax returns reporting that he had received the funds from MVP.

10. In or about July 2009, representatives of MVP contacted defendant MIKEL D. JONES regarding his repaying MVP for the \$150,000 investment. To avoid his obligation of repaying MVP's investment in his law firm, defendant JONES lied about his finances and falsely claimed that he did not have the funds to repay MVP. Defendant JONES initially offered to pay \$5,000, but later agreed to pay \$20,000 to settle his obligation. At the time defendant JONES was claiming he did not have sufficient funds to repay MVP, he had substantial funds and was spending tens of thousands of dollars on sports tickets and other luxury items, including a Hawaiian vacation. Indeed, just months before being contacted by MVP, and within months after being contacted by MVP, defendant JONES had told lenders that he earned \$470,000 to \$500,000 yearly from the practice of law. By making these false statements about his finances, defendant JONES convinced MVP to accept just \$20,000 to satisfy his debt. On or about July 28, 2009, defendant JONES mailed a check in the amount of \$20,000 to MVP.

THE MAILINGS

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

MIKEL D. JONES,

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be sent by United States Mail, the following items:

<u>Count</u>	<u>Date</u>	<u>Description</u>
1	May 9, 2006	A request by defendant JONES for \$37,500 in MVP funds to be wire transferred to him.
2	July 28, 2009	A check in the amount of \$20,000 sent from defendant JONES to PCDC in repayment of the \$150,000 investment in defendant JONES' law firm.

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

COUNTS THREE AND FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 and 5 through 10 of Counts One and Two are incorporated here.
2. On or about the dates listed below, in the Eastern District of Pennsylvania, and elsewhere, defendant

MIKEL D. JONES,

for the purpose of executing the scheme described above, attempting to do so, and aiding and abetting its execution, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain signals and sounds, as described below:

<u>Count</u>	<u>Date</u>	<u>Description</u>
3	March 26, 2006	A \$37,000 wire transfer from MVP's bank account to the Commerce Bank account of the Mikel Jones Law Firm.
4	May 25, 2006	A \$35,000 wire transfer from MVP's bank account to the Commerce Bank account of the Mikel Jones Law Firm.

In violation of Title 18, United States Code, Sections 1343 and 2.

COUNT FIVE

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this Second Superseding Indictment:

1. Paragraph 1 of Counts One and Two is incorporated here.
2. In or about February 2006, defendant MIKEL D. JONES obtained a business line of credit from a lender in New York, referred to here as “Lender No. 1.” The limits of this business line of credit were increased in July 2007, and in January 2008, and allowed the law firm to borrow up to \$1,750,000 to operate the law firm. Defendant JONES agreed that he would use the proceeds of the line of credit to discharge certain tax liens and for working capital related to the operation of his law firm and other approved expenses. Defendant JONES and Lender No. 1 agreed that defendant JONES would receive payments of \$10,000 per month from the line of credit, called the draw, which defendant JONES would be permitted to use to pay personal expenses.
3. Defendant DONA NICHOLS JONES is defendant MIKEL D. JONES’s wife. Defendant NICHOLS JONES was involved in the administration of the Mikel Jones Law Firm, including preparing proposed budgets containing law firm expenses and coordinating the payment of those expenses with a representative of Lender No. 1. Defendant NICHOLS JONES was aware that the business line of credit funds were to be used to support the operation of the law firm.
4. In addition to operating his law firm, defendant MIKEL D. JONES owned and controlled shell companies, including Strata Tech, Inc. (“Strata Tech”) and Visions 21st Democratic Club. Defendants JONES and DONA NICHOLS JONES used these shell

companies, a media corporation located in the Philadelphia area (“Company No. 1”), and the name of their daughter, referred to here as “K.M.,” to steal hundreds of thousands of dollars from Lender No. 1 under false pretenses.

THE CONSPIRACY

5. From in or about January 2008 to in or about April, 2009, defendants

MIKEL D. JONES and DONA NICHOLS JONES

conspired and agreed, with each other, and with others known and unknown to the grand jury, to commit an offense against the United States, that is, they devised and intend to devise a scheme to defraud Lender No. 1 and to obtain money and property by means of false and fraudulent pretenses, representations and promises. In conspiring to do so, they knowingly caused the use of the United States mails and commercial interstate carriers, and the transmission of certain signals and sounds by means of wire communications in interstate commerce, in violation of Title 18, United States Code, Sections 1341, 1343 and 2.

MANNER AND MEANS

6. Defendants MIKEL D. JONES and DONA NICHOLS JONES submitted budgets to Lender No. 1 of the expected expenses of the law firm and agreed to submit invoices from vendors who supplied goods and services to the law firm. Lender No. 1 agreed to pay these vendors upon Lender No. 1’s receipt of the invoices. Defendants JONES and NICHOLS JONES agreed that they would submit the invoices to a representative of Lender No. 1, an accountant who would review the invoices and disburse the funds on behalf of Lender No. 1. The defendants sent messages and invoices to Lender No. 1’s representative by telephone, fax and e-mail.

7. Defendants MIKEL D. JONES and DONA NICHOLS JONES wanted more funds for personal use than Lender No. 1 was willing to furnish. To sidestep Lender No. 1 and to obtain more funds for personal use, the defendants used the name of Strata Tech and the name of Company No. 1 to steal money from Lender No. 1 under false pretenses. Specifically, the defendants created, and caused the creation of, fraudulent check requests and invoices purportedly on the letterhead of Strata Tech and Company No. 1 which falsely claimed that these companies had provided business-related services to defendant JONES' law firm. In fact, these companies had supplied no services to the law firm whatsoever. The defendants then supplied the false invoices to the representative of Lender No. 1 to cause payment on the invoices to the law firm and to Strata Tech. Once the defendants received payment on the invoices, they transferred the fraudulently-received funds to their own bank accounts and used them to pay personal expenses.

8. The bogus invoices which defendants MIKEL D. JONES and DONA NICHOLS JONES supplied to the representative of Lender No. 1 seeking payment from the law firm stated that Strata Tech was in the business of, among other things, "event management," "strategic marketing," "speaker placement," "corporate identity," and "advertising." In reality, at the time Strata Tech was a shell corporation that had no real operations and used the address of a mail drop in Florida as its business address. Strata Tech did not supply any services to the law firm.

9. The check requests and bogus invoices which defendants MIKEL D. JONES and DONA NICHOLS JONES supplied to the representative of Lender No. 1 seeking payment from the law firm claimed, falsely, that Company No. 1 had done advertising for the law firm in four separate media markets in Pennsylvania, New Jersey, Florida, and the District of

Columbia. Once the defendants received payment on these invoices, defendant JONES used the proceeds to pay for his season tickets to Philadelphia 76ers basketball games.

10. Defendants MIKEL D. JONES and DONA NICHOLS JONES also used the name of their daughter, K.M., to defraud Lender No. 1 of funds. The defendants intimidated Lender No. 1 that they could be harmed if they did not pay off a debt they had taken out with another source. Once Lender No. 1 approved the payment, the defendants laundered the funds they received from Lender No. 1 through an account jointly held by K.M. and defendant NICHOLS JONES, then used the funds to pay personal expenses and to replenish client funds defendant JONES had previously taken from his law firm account.

11. Defendant MIKEL D. JONES also received funds from Lender No. 1 after telling Lender No. 1 that the funds would be used for a political donation which could improve the law firm's litigation efforts. After the funds were furnished to defendant JONES's Visions 21st Democratic Club, defendant JONES took the funds by writing checks to cash and to himself.

12. Defendant MIKEL D. JONES convinced a representative of Lender No. 1 to furnish funds to him by telling the representative that he had to "repay my nephew" or he was "looking at a very bad situation." Later, after defendant JONES told the representative "my nephew is in danger" and that he needed money right away, Lender No. 1 furnished \$52,000 to defendant JONES. Defendant JONES had the funds deposited to his personal account, after which they were used for personal expenses.

OVERT ACTS

In furtherance of the conspiracy, defendants MIKEL D. JONES and DONA NICHOLS JONES, together with others known and unknown to the grand jury, committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

1. In or about late 2007 or January 2008, the Mikel Jones Law Firm submitted a proposed 2008 law firm budget to a representative of Lender No. 1 which contained fraudulent payments to be made to Strata Tech and Company No. 1. Defendants MIKEL D. JONES and DONA NICHOLS JONES told the representative that the payments were to be made for law firm advertising to be done by Strata Tech and Company No. 1.

2. In or about early 2008, defendant DONA NICHOLS JONES, a paid “Human Resource Consultant” to the law firm, told a representative of Lender No. 1 that she would be coordinating the payment of law firm expenses with the representative, including the payment of Company No. 1 and Strata Tech invoices. Thereafter, defendant NICHOLS JONES caused checks made payable to Company No. 1 to be sent by the New York representative to the law firm, and caused checks made payable to Strata Tech to be sent by the representative to defendant NICHOLS JONES at her Florida home and to Strata Tech in Florida.

3. On or about January 9, 2008, defendant MIKEL D. JONES directed an employee of his law firm to include monthly line items totaling more than \$20,000 in payments to Strata Tech and Company No. 1 on the firm budget so that defendant JONES could submit bogus invoices to Lender No. 1.

4. On or about January 22, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 that “I really need that \$52,000 wired today,” and “my nephew is in danger. I need to resolve this today.”

5. On or about January 28, 2008, defendant MIKEL D. JONES wrote to representative of Lender No. 1 and asked them to hold off paying other bills and to rearrange Strata Tech and Company No. 1 as “priorities.”

6. On or about January 30, 2008, defendant MIKEL D. JONES directed an employee of his law firm to prepare invoices to submit to a representative of Lender No. 1 seeking payment of a total of \$20,000 for Strata Tech and Company No. 1. Defendant JONES instructed his employee to inform the representative of Lender No. 1 not to contact Strata Tech or Company No. 1 because of “personal & political relationships that exist between Mikel and both entities. Should there be any need to negotiate, Mikel will handle.”

7. On or about January 30, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request seeking payment for advertising and a purported Strata Tech invoice dated January 28, 2008, to a representative of Lender No. 1 in New York.

8. On or about January 30, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request seeking payment for advertising and a purported Company No. 1 invoice dated January 1, 2008, to a representative of Lender No. 1 in New York.

9. On or about February 25, 2008 defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request seeking payment for advertising and a purported Strata Tech invoice dated February 22, 2008, to a representative of Lender No. 1 in New York.

10. On or about March 13, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 that he paid \$10,000 in Company No. 1 expenses from his own funds and that he needed to be reimbursed.

11. On or about March 13, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request for a \$10,000 reimbursement to defendant MIKEL D. JONES and a copy of a \$10,000 check made payable to Company No. 1 from Beneficial Bank.

12. On or about March 31, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 identifying items needing to be addressed , included the remaining balance for Company No. 1 and a past due balance of \$35,000 for Strata Tech. Defendant JONES wrote that he had used his American Express card the week before to make a \$14,000 payment to Company No. 1.

13. On or about April 24, 2008, defendant MIKEL D. JONES instructed an employee of his law firm to prepare invoices in the name of Company No. 1 showing that \$38,000 had been paid and that there was a balance due of \$20,000. Defendant JONES also instructed his employee to create a Strata Tech invoice showing payments of \$15,000 and a balance due of \$40,000.

14. On or about April 25, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and a purported Strata Tech invoice dated April 23, 2008, to a representative of Lender No. 1 in New York.

15. On or about April 25, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request seeking payment from Company No. 1 for reimbursement of expenses and a purported Company No. 1 invoice dated April 21, 2008, to a representative of Lender No. 1 in New York.

16. On or about April 26, 2008, in an effort to convince Lender No. 1 to release funds to him, defendant MIKEL D. JONES wrote to a representative of Lender No. 1

that, “because of my personal and political relationships, both [Company No. 1 and Strata Tech] have been good with not coming after me for non-payment over the past 4/6 months.”

17. On or about June 6, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 that he owed Strata Tech \$10,000 and requested payment of that amount.

18. On or about June 19, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Company No. 1 invoices dated May 1, 2008 and June 1, 2008 to a representative of Lender No. 1 in New York.

19. On or about June 19, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Strata Tech invoices dated April 23, 2008, May 1, 2008, and June 1, 2008 to a representative of Lender No. 1 in New York.

20. On or about June 19, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request seeking a \$14,000 reimbursement for a payment made to Company No. 1 on “Amex.” The fax noted that back up for the request was attached. Attached to the check request was an American Express card statement on an account held by defendant NICHOLS JONES for the time period March 28, 2008 through April 27, 2008. The statement had been altered to mask the fact that the American Express card had been used to make a total of \$14,000 in purchases of Philadelphia 76ers tickets on March 28, 2008 and March 31, 2008. In response to this request, and in reliance on the altered American Express card statement, the representative sent a check drawn on the law firm

operating account and made payable to defendant JONES in the amount of \$14,000 to the defendants' home.

21. On or about July 9, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 requesting DVD copies of a commercial and claiming that Company No. 1 will run it on the East Coast. Defendant JONES also wrote "they need my political muscle and we're already paying them \$10,000 per month."

22. On or about July 11, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Strata Tech invoice dated July 9, 2008, to a representative of Lender No. 1 in New York.

23. On or about July 11, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to send a fax containing an updated invoice for Company. No. 1 to a representative of Lender No. 1 in New York.

24. On or about August 12, 2008, defendant MIKEL D. JONES requested that Lender No. 1 make a \$25,000 payment to defendant JONES' corporation, Visions 21st Democratic Club, to fund a political donation which could benefit the law firm's litigation efforts. Once he received the funds, defendant JONES used them to pay personal expenses.

25. On or about August 27, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Company No. 1 invoice dated August 1, 2008, to a representative of Lender No. 1 in New York. Defendant NICHOLS JONES told the representative to overnight the invoice payment check to Philadelphia.

26. On or about August 27, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Strata

Tech invoice dated August 1, 2008, to a representative of Lender No. 1 in New York. Defendant NICHOLS JONES told the representative to overnight the invoice payment check to Florida.

27. On or about September 18, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Company No. 1 invoice dated September 1, 2008, to a representative of Lender No. 1 in New York. Defendant NICHOLS JONES told the representative to overnight the invoice payment check to Philadelphia.

28. On or about September 18, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request and purported Strata Tech invoice dated September 1, 2008, to a representative of Lender No. 1 in New York.

29. On or about September 22, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request for payment to Strata Tech to a representative of Lender No. 1 in New York. Defendant NICHOLS JONES told the representative to overnight the payment check to Florida.

30. On or about October 13, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused an employee of the Mikel Jones Law Firm to e-mail a request to have advertising bills for Company No. 1 and Strata Tech, among others, paid weekly. Defendant NICHOLS JONES told the representative to send the Strata Tech check overnight to Florida and the Company No. 1 and other checks overnight to Philadelphia.

31. On or about October 13, 2008, defendants MIKEL D. JONES and DONA NICHOLS JONES caused the Mikel Jones Law Firm to fax a check request for advertising and

purported invoices for Company No. 1 and Strata Tech dated October 1, 2008, to a representative of Lender No. 1 in New York. The fax noted that it was “to follow e-mail sent.”

32. On or about November 25, 2008, defendant MIKEL D. JONES wrote to a representative of Lender No. 1 and requested the representative to mail a check for \$5,000 to defendant DONA NICHOLS JONES along with a letter acknowledging her “valuable part in moving our venture forward.” In response to the request, the representative sent a Mikel Jones Law Firm Operating Account check made payable to defendant NICHOLS JONES in the amount of \$5,000 overnight to defendant NICHOLS JONES in Florida.

33. In or about January 2009, defendants MIKEL D. JONES and DONA NICHOLS JONES told Lender No. 1 that they needed approximately \$160,000 to repay a debt and requested that Lender No. 1 issue a check to K.M., who, unbeknownst to Lender No. 1, was the defendants’ daughter. After Lender No. 1 issued the \$160,000 check, defendant NICHOLS JONES wrote a \$132,000 check from the proceeds of the \$160,000 check to purchase a cashier’s check. Defendant JONES then deposited the cashier’s check to a law firm trust account to replenish client funds defendant JONES had previously taken. Defendant NICHOLS JONES used remaining proceeds from the \$160,000 check to pay her American Express credit card bills.

34. In total, between approximately January 2008 and approximately April 2009, defendants MIKEL D. JONES and DONA NICHOLS JONES obtained more than \$456,000 from Lender No. 1 by submitting bogus invoices to Lender No. 1 and by making false representations to Lender No. 1.

All in violation of Title 18, United States Code, Section 371.

COUNTS SIX THROUGH NINETEEN

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Counts One and Two and Paragraphs 2, 3, 4, and 6 through 12 of Count Five are incorporated here.
2. On or about the dates listed below, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MIKEL D. JONES and
DONA NICHOLS JONES,**

for the purpose of executing the scheme described above, attempting to do so, and aiding and abetting its execution, knowingly caused to be transmitted by means of wire communication in interstate commerce, the following signals and sounds:

THE WIRES

<u>Count</u>	<u>Date</u>	<u>Description</u>
6	January 9, 2008	An email message from defendant MIKEL D. JONES to an employee at defendant JONES' law firm in Philadelphia directing the employee to include fraudulent line items for Strata Tech and Company No. 1 on the budget submitted to the representative of Lender No. 1.
7	January 30, 2008	An email message from defendant MIKEL D. JONES to an employee at defendant JONES' law firm in Philadelphia directing the employee to draft requests for payment to submit to a representative of Lender No. 1 for Strata Tech and Company No. 1. The e-mail message directed the employee to include the following comment: "Melanie, please mail [Company No. 1] check to Mikel in the Philly office (Mikel will personally deliver to his contact) and Strata-Tech check directly to them. Please refrain from direct contact due to the personal & political relationships that exist between Mikel and both entities. Should there be any need to negotiate, Mikel will handle."

- invoice dated April 23, 2008 and a Company No. 1 invoice dated April 21, 2008.
- 13 June 19, 2008 Faxed check requests from the Mikel Jones Law Firm in Philadelphia to a representative of Lender No. 1 in New York seeking reimbursement for a payment made to Company No. 1 and payments to Strata Tech and Company No. 1. The faxes included an altered American Express statement justifying the reimbursement, and Strata Tech invoices dated April 23, 2008, May 1, 2008, and June 1, 2008 and Company No. 1 invoices dated May 1, 2008, and June 1, 2008.
- 14 July 11, 2008 Faxed check requests from the Mikel Jones Law Firm in Philadelphia to a representative of Lender No. 1 in New York seeking payment to Strata Tech and containing a Strata Tech invoice dated July 9, 2008 and a Company No. 1 invoice dated July 9, 2008.
- 15 August 27, 2008 Faxed check requests from the Mikel Jones Law Firm in Philadelphia to a representative of Lender No. 1 in New York seeking payments to Strata Tech and Company No. 1 and containing a Company No. 1 invoice dated August 1, 2008 and a Strata Tech invoice dated August 1, 2008.
- 16 September 18, 2008 Faxed check requests from the Mikel Jones Law Firm in Philadelphia to a representative of Lender No. 1 in New York seeking payments to Strata Tech and Company No. 1 and containing a Strata Tech invoice dated September 1, 2008 and a Company No. 1 invoice dated September 1, 2008.
- 17 September 22, 2008 A faxed check request from the Mikel Jones Law firm in Philadelphia to a representative of Lender No. 1 in New York requesting payment to Strata Tech.
- 18 October 13, 2008 An email message from an employee of defendant JONES' law firm in Philadelphia to a representative of Lender No. 1 in New York requesting that they pay advertising bills for Strata Tech and Company No. 1 weekly.
- 19 October 13, 2008 A faxed check request from the Mikel Jones Law Firm in Philadelphia to a representative of Lender No. 1 in New York containing Strata Tech and Company No. 1 invoices dated October 1, 2008.

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS TWENTY THROUGH THIRTY-THREE

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 1 of Counts One and Two and Paragraphs 2, 3, 4, and 6 through 12 of Count Five are incorporated by reference.
2. For the purposes of executing the scheme described above, defendants MIKEL D. JONES and DONA NICHOLS JONES caused approximately 27 checks generated under false pretenses totaling approximately \$138,000 and created by the representative of Lender No. 1 made payable to Strata Tech, to be sent by United States Mail and commercial carrier from New York to the defendants' home in Boynton Beach, Florida, and to Strata Tech, Inc. at a mail box drop located at 4781 N. Congress Avenue, Boynton Beach, Florida.

THE MAILINGS

3. On or about the dates listed below, in the Eastern District of Pennsylvania, and elsewhere, defendants

**MIKEL D. JONES and
DONA NICHOLS JONES,**

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be sent by United States Mail and commercial interstate carrier, from New York to the Mikel Jones Law Firm, 1831 Chestnut Street, 4th Floor, Philadelphia, Pennsylvania, the following items:

<u>Count</u>	<u>Date</u>	<u>Description</u>
20	February 1, 2008	A Double D Associates check dated 2/1/2008 and made payable to Company No. 1 in the amount of \$7,500.

21	July 23, 2008	A Mikel Jones Law Firm Operating Account check dated 7/23/2008 and made payable to Company No. 1 in the amount of \$7,500.
22	September 23, 2008	Mikel Jones Law Firm Operating Account checks made payable to Company No. 1 and dated 8/12/2008 in the amount of \$7,500, and 9/23/2008 in the amount of \$7,000.
23	October 16, 2008	A Mikel Jones Law Firm Operating Account check dated 10/16/2008 and made payable to Company No. 1 in the amount of \$9,166.50.
24	October 21, 2008	A Mikel Jones Law Firm Operating Account check dated 10/21/2008 and made payable to Company No. 1 in the amount of \$4,583.25.
25	October 29, 2008	A Mikel Jones Law Firm Operating Account check dated 10/28/2008 and made payable to Company No. 1 in the amount of \$4,583.25.
26	November 7, 2008	A Mikel Jones Law Firm Operating Account check dated 11/7/2008 and made payable to Company No. 1 in the amount of \$4,583.25.
27	November 24, 2008	A Mikel Jones Law Firm Operating Account check dated 11/24/2008 and made payable to Company No. 1 in the amount of \$9,166.50.
28	December 8, 2008	A Mikel Jones Law Firm Operating Account check dated 12/8/2008 and made payable to Company No. 1 in the amount of \$9,166.50.
29	December 16, 2008	A Mikel Jones Law Firm Operating Account check dated 12/16/2008 and made payable to Company No. 1 in the amount of \$4,583.25.
30	December 22, 2008	A Mikel Jones Law Firm Operating Account check dated 12/22/2008 and made payable to Company No. 1 in the amount of \$4,583.25.

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| 31 | December 30, 2008 | A Mikel Jones Law Firm Operating Account check dated 12/26/2008 and made payable to Company No. 1 in the amount of \$4,583.25. |
| 32 | January 6, 2009 | A Mikel Jones Law Firm Operating Account check dated 1/6/2009 and made payable to Company No. 1 in the amount of \$4,583.25. |
| 33 | January 19, 2009 | A Mikel Jones Law Firm Operating Account check dated 1/19/2009 and made payable to Company No. 1 in the amount of \$4,583.25. |

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THIRTY -FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 of Counts One and Two and Paragraphs 2, 3, 4, and 6 through 12 of Count Five are incorporated here.

2. Between on or about March 6, 2009, through on or about December 29, 2009, in the Eastern District of Pennsylvania, and elsewhere, defendants

MIKEL D. JONES and DONA NICHOLS JONES

knowingly conducted, and attempted to conduct, and aided, abetted, and willfully caused financial transactions affecting interstate commerce, namely, the defendants lied to Lender No. 1 to cause the lender to issue a \$160,000 check made payable to their daughter, K.M., which was deposited to an account in Florida controlled by K.M. and defendant NICHOLS JONES.

Defendant NICHOLS JONES then obtained a bank check in the amount of \$132,000, which check was funded by the \$160,000 check made payable to their daughter. In April 2009 defendant JONES deposited this \$132,000 check into his attorney trust account at Beneficial Savings Bank in Philadelphia to replenish client funds he had previously taken from a law firm trust account. Defendant NICHOLS JONES used remaining funds from the \$160,000 check to pay personal expenses. In December 2009, defendant JONES paid from his law firm trust account the clients whose funds he had previously taken.

3. When conducting, aiding, abetting, and willfully causing, the financial transactions described in paragraph 2 above, defendants MIKEL D. JONES and DONA NICHOLS JONES knew that the property involved in those financial transactions represented the proceeds of some form of unlawful activity.

4. The financial transactions described in paragraph 2 above involved the proceeds of specified unlawful activities, that is, mail fraud and wire fraud, in violation of Title 18, United States Code, Sections 1341 and 1343, and defendants MIKEL D. JONES and DONA NICHOLS JONES acted with the knowledge that the transactions were designed, in whole and in part, to conceal and disguise the nature, location, source, ownership and control of the proceeds of the specified unlawful activities.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 1341, 1343, 1349, and 1956, set forth in this Second Superseding Indictment defendants

**MIKEL D. JONES and
DONA NICHOLS JONES**

shall forfeit to the United States of America: (a) any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses; and (b) any property, real or personal, that was involved in the commission of such offense, including, but not limited to, approximately \$584,000.

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 defendants 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:

GRAND JURY FOREPERSON

ZANE DAVID MEMEGER
United States Attorney