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WILLIAM T. WALSH
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2019R00993/JF

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
: :
: Criminal Number:
v. : :
: 18 U.S.C. § 1343
: 18 U.S.C. § 1957
MATTHEW O'CALLAGHAN : 18 U.S.C. § 2

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark,
charges:

COUNTS ONE THROUGH FIVE

(Wire Fraud)

Individuals and Entities

1. At all times relevant to this Indictment:
 - a. Defendant MATTHEW O'CALLAGHAN ("O'CALLAGHAN") was a resident of Upper Saddle River, New Jersey.
 - b. Bank A was a bank with headquarters in Buffalo, New York.
 - c. Victim-Lender 1 was a global financial services group located in New York, New York, that offered loans to corporate customers.
 - d. Victim-Lender 2 was a global banking and financial services institution with headquarters in Munich, Germany, that offered loans to corporate customers.

e. Victim-Company 1 was a company located in Houston, Texas, that provided global offshore contract drilling services to the oil and gas industry.

f. Victim-Company 2 was a company formed in or around April 2019 after Victim-Company 1 merged with another provider of global offshore contract drilling services. Victim-Company 2 had headquarters in London, United Kingdom.

g. Victim-Company 3 was a company with headquarters in Vernier, Switzerland, that provided global offshore contract drilling services for oil and gas wells.

h. Victim-Company 4 was a company with headquarters in Estero, Florida, that operated a global vehicle rental and leasing business.

i. Financial Institution 1 was an administrative agent for a revolving credit facility for Victim-Company 1 and had headquarters located in San Francisco, California.

j. Financial Institution 2 was an administrative agent for revolving credit facilities for Victim-Company 2 and Victim-Company 3 and had headquarters in New York, New York.

k. Financial Institution 3 was an administrative agent for a revolving credit facility for Victim-Company 4 and had headquarters in London, United Kingdom.

Relevant Terms and Background

l. A syndicated loan was a loan provided by a group of lenders and was structured, arranged, and administered by one or several financial institutions, sometimes known as administrative agents.

m. A revolving credit facility (“RCF”) was a line of credit where a lender or a group of lenders committed to fund a principal amount to a borrower. In exchange for certain fees paid to the lender, the borrower had the option to draw down on the funds committed by the lender or lenders in the RCF when needed. For large RCFs, multiple banks sometimes “syndicated” under a lead arranger or administrative agent, with each bank holding a portion of the total loan.

n. After an RCF closed, a lender was free to trade all or part of its commitment to investors. A lender might sometimes trade its exposure at a discount to an investor and pay the investor to take on its commitment to fund the RCF.

The Scheme to Defraud

2. Beginning at least as early as in or around 2016 through in or around 2019, in Bergen County, in the District of New Jersey and elsewhere, defendant

MATTHEW O’CALLAGHAN

knowingly and intentionally devised and intended to devise a scheme and

artifice to defraud victim-lenders and victim-companies, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

Goal of the Scheme to Defraud

3. The goal of the scheme was for O'CALLAGHAN to enrich himself by fraudulently inducing victim-lenders and victim-companies into wiring money to O'CALLAGHAN by deceiving the victim-companies and victim-lenders into believing that Bank A would commit funds to revolving credit facilities.

Manner and Means of the Scheme to Defraud

4. It was part of the scheme to defraud that:

a. O'CALLAGHAN contacted the victim-lenders and victim-companies under false aliases named Edward Tierney ("Tierney") and Michael Nash ("Nash"), whom O'CALLAGHAN falsely represented were executives at Bank A. O'CALLAGHAN falsely represented that Tierney was a Senior Vice President of Bank A and Nash was a Vice President in Operations at Bank A who performed back-office functions for Tierney. In fact, both aliases were fictitious personas created by O'CALLAGHAN to defraud the victim-companies and victim-lenders.

b. O'CALLAGHAN targeted lenders willing to pay a buyer to take on their commitment to fund RCFs and absorb the risk that the borrower in the facility would draw down on the loan.

c. Posing as the fraudulent Tierney and Nash aliases, O'CALLAGHAN induced the victim-lenders and victim-companies into making trades in which they agreed to pay Bank A to take on a commitment to fund RCFs for the victim-companies.

d. During the course of the negotiations with the victim-lenders and victim-companies, O'CALLAGHAN submitted numerous false and fraudulent documents that were designed to deceive the victim-lenders and victim-companies into believing that Nash and Tierney were legitimate representatives of Bank A, including using fraudulent email addresses for Nash and Tierney that O'CALLAGHAN created to resemble legitimate Bank A email addresses, false email signature blocks for Tierney and Nash that bore the Bank A logo and listed the business address for Bank A, fraudulent wiring instructions bearing Bank A's logo and address, and a tax form bearing a tax identification number for Bank A.

e. After the trades were settled, O'CALLAGHAN directed the victim-lenders and the victim-companies to wire funds to a bank account at Bank A in the name of Syndicated Group, LLC (the "Syndicated Group Account") that O'CALLAGHAN controlled.

f. O'CALLAGHAN converted the victim funds wired into the Syndicated Group Account for his lavish lifestyle, which included personal expenses for the purchase of an automobile, gambling, travel, and payments to a private club.

g. O'CALLAGHAN's conduct resulted in millions of dollars in losses to the victim-lenders and the victim-companies. Several examples are provided below.

Victim-Lender 1 and Victim-Company 1

h. In or around October 2016, O'CALLAGHAN falsely represented to a representative of Victim-Lender 1 that he was a broker representing an institution interested in entering a trade with Victim-Lender 1 to take on Victim-Lender 1's commitment to fund an RCF for Victim-Company 1. After Victim-Lender 1 expressed an interest in selling its exposure to the RCF, O'CALLAGHAN falsely represented that Bank A was his client and referred Victim-Lender 1 to O'CALLAGHAN's alias, Tierney.

i. From in or around October 2016 to in or around December 2016, O'CALLAGHAN, posing as the false Tierney and Nash aliases, negotiated with representatives of Victim-Lender 1 to finalize a trade to assign to Bank A Victim-Lender 1's commitment to fund a \$50 million RCF for Victim-Company 1. In exchange, Victim-Lender 1 agreed to pay Bank A approximately \$1.75 million and any other fees received from Victim-Company 1 under the RCF.

j. During the course of negotiations with Victim-Lender 1, O'CALLAGHAN submitted numerous false and fraudulent documents to Victim-Lender 1 intended to deceive Victim-Lender 1 into believing that Tierney and Nash were legitimate executives of Bank A and that Bank A authorized the transaction with Victim-Lender 1 and Victim-Company 1, including transaction

documents bearing a fraudulent signature for Tierney as an authorized representative of Bank A, a tax form bearing Bank A's name and tax identification number, and false wiring instructions bearing Bank A's logo, business address, and telephone number.

k. In reliance on these false and fraudulent pretenses, representations, promises, and documents, on or about December 15, 2016, O'CALLAGHAN induced Victim-Lender 1 into wiring approximately \$1.75 million to the Syndicated Group Account at Bank A controlled by O'CALLAGHAN.

l. O'CALLAGHAN further induced Victim-Lender 1 and Financial Institution 1 to wire hundreds of thousands of dollars in fees under the RCF to the Syndicated Group Account controlled by O'CALLAGHAN.

m. In or around May 2018, O'CALLAGHAN, posing as the Tierney alias, made false representations, statements, and promises, and submitted false documents, to Victim-Company 1 and Financial Institution 1, which were intended to deceive Victim-Company 1 and Financial Institution 1 into believing that Bank A agreed to increase its capital commitment to Victim-Company 1 from approximately \$50 million to \$75 million as part of a new RCF for Victim-Company 1. In reliance on the false and fraudulent representations, statements, promises, and documents submitted by O'CALLAGHAN, posing as the Tierney alias, Financial Institution 1 wired hundreds of thousands of dollars on behalf of Victim-Company 1 to the

Syndicated Group Account controlled by O'CALLAGHAN, including a wire transfer of approximately \$187,500 on or about May 22, 2018, from a Financial Institution 1 account to the Syndicated Group Account.

Victim-Company 2

n. In or around April 2019, Victim-Company 1 terminated its RCF after merging with another company to form Victim-Company 2. Following the merger, O'CALLAGHAN, posing as the Tierney and Nash aliases, made false representations, statements, and promises, and submitted false documents, to Victim-Company 2 and Financial Institution 2 intended to deceive Victim-Company 2 and Financial Institution 2 into believing that Bank A was agreeing to commit approximately \$75 million to a new RCF for Victim-Company 2. In reliance on the false and fraudulent representations, statements, promises, and documents submitted by O'CALLAGHAN posing as the Tierney and Nash aliases, Financial Institution 2 wired hundreds of thousands of dollars in fees on behalf of Victim-Company 2 to the Syndicated Group Account controlled by O'CALLAGHAN, including a wire of approximately \$126,562.50 on or about July 2, 2019, from a Financial Institution 2 account to the Syndicated Group Account.

Victim-Company 3

o. From in or around April 2019 to in or around July 2019, O'CALLAGHAN, posing as the Tierney alias, made false representations, statements, and promises, and submitted false documents, to Victim-Company

3 and Financial Institution 2 intended to deceive Victim-Company 3 and Financial Institution 2 into believing that Bank A was agreeing to commit approximately \$75 million to a new RCF for Victim-Company 3.

p. In reliance on the false and fraudulent representations, statements, promises, and documents submitted by O'CALLAGHAN, posing as the Tierney alias, Financial Institution 2 wired hundreds of thousands of dollars in fees on behalf of Victim-Company 3 to the Syndicated Group Account controlled by O'CALLAGHAN, including a wire transfer of approximately \$450,000 on or about May 15, 2019, from a Financial Institution 2 account to the Syndicated Group Account.

q. In or around May 2019, O'CALLAGHAN, posing as the Tierney alias, made false representations, statements, and promises, and submitted false documents, to Victim-Company 3 and Financial Institution 2 intended to deceive Victim-Company 3 and Financial Institution 2 into believing that Bank A was agreeing to advise and consult for Victim-Company 3 in selling bonds issued by Victim-Company 3.

r. In reliance on the false and fraudulent representations, statements, promises, and documents submitted by O'CALLAGHAN, posing as the Tierney alias, Victim-Company 3 entered into a financial advisory and consulting agreement with Bank A, and wired hundreds of thousands of dollars in advisory fees to the Syndicated Group Account at Bank A controlled by O'CALLAGHAN.

Victim-Lender 2 and Victim-Company 4

s. From in or around October 2018 to in or around August 2019, O'CALLAGHAN, posing as the Tierney and Nash aliases, made false representations, statements, and promises, and submitted false documents, to Victim-Lender 2 and Financial Institution 3 intended to deceive Victim-Lender 2 and Financial Institution 3 into believing that Bank A was agreeing to commit approximately \$68 million to an RCF for Victim-Company 4.

t. In reliance on the false and fraudulent representations, statements, promises, and documents submitted by O'CALLAGHAN posing as the Tierney and Nash aliases, on or about May 8, 2019, Victim-Lender 2 wired approximately \$1,003,487.18 to the Syndicated Group Account controlled by O'CALLAGHAN.

5. On or about the dates set forth below, for the purpose of executing and attempting to execute the scheme and artifice to defraud, in Bergen County, in the District of New Jersey and elsewhere, defendant

MATTHEW O'CALLAGHAN

knowingly and intentionally transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce certain writings, signs, signals, pictures, and sounds, as set forth more fully below, each such wire transmission constituting a separate count of this Indictment:

Count	Approximate Date	Description
One	December 15, 2016	Interstate wire transfer of approximately \$1.75 million from a Victim-Lender 1 account to the Syndicated Group Account
Two	May 22, 2018	Interstate wire transfer of approximately \$187,500 from a Financial Institution 1 account to the Syndicated Group Account
Three	May 8, 2019	Interstate wire transfer of approximately \$1,003,487.18 from a Victim-Lender 2 account to the Syndicated Group Account
Four	May 15, 2019	Interstate wire transfer of approximately \$450,000 from a Financial Institution 2 account to the Syndicated Group Account
Five	July 2, 2019	Interstate wire transfer of approximately \$126,562.50 from a Financial Institution 2 account to the Syndicated Group Account

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

COUNTS SIX THROUGH EIGHT
(Transacting in Criminal Proceeds)

1. The allegations contained in paragraphs 1 and 4 of Counts One through Five of this Indictment are incorporated and realleged as if fully set forth herein.

2. On or about the dates set forth below, in the District of New Jersey and elsewhere, defendant

MATTHEW O'CALLAGHAN

knowingly engaged and attempted to engage in monetary transactions affecting interstate commerce in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, that is wire fraud, in violation of Title 18, United States Code Sections 1343 and 2, as follows:

Count	Approximate Date	Monetary Transaction
Six	December 19, 2016	Check in the approximate amount of \$185,200 drawn on the Syndicated Group Account made payable to Matthew O'Callaghan
Seven	May 9, 2019	Check in the approximate amount of \$249,000 drawn on the Syndicated Group Account made payable to Matthew O'Callaghan
Eight	May 16, 2019	Check in the approximate amount of \$41,682.82 drawn on the Syndicated Group Account made payable to Ramsey Jeep

In violation of Title 18, United States Code, Sections 1957 and 2.

FORFEITURE ALLEGATION AS TO COUNTS ONE THROUGH FIVE

1. As a result of committing the wire fraud offenses charged in Counts One through Five of this Indictment, defendant MATTHEW O'CALLAGHAN shall forfeit to the United States, pursuant to Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, constituting or derived from proceeds traceable to the violation of Title 18, United States Code, Section 1343 alleged in Counts One through Five of this Indictment, including, but not limited to, the following properties:

- a. Any and all funds contained in a Manufacturers and Traders Trust Company account ending in 9003, held in the name of Syndicated Group, LLC;
- b. Any and all funds contained in a Bank of America account ending in 1768, held in the name of Sea Lane Capital, LLC; and
- c. One 2018 Jeep Wrangler Unlimited, vehicle identification number 1C4HJ XEN1J W2261 69, registered in New Jersey.

FORFEITURE ALLEGATION AS TO COUNTS SIX THROUGH EIGHT

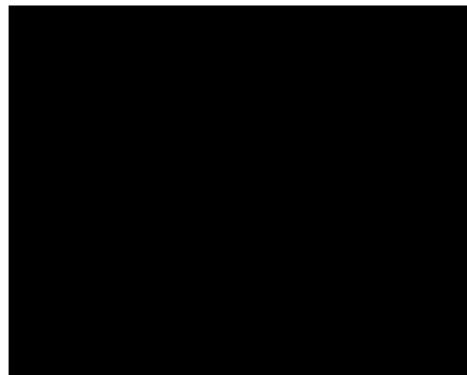
2. As a result of committing the money laundering offense charged in Counts Six through Eight of this Indictment, defendant MATTHEW O'CALLAGHAN shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), all property, real or personal, involved in such money laundering offense, and all property traceable to such property.

Substitute Assets Provision
(Applicable to All Forfeiture Allegations)

3. If any of the property described above, 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 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in paragraphs 1 and 2.


CRAIG CARPENITO
United States Attorney



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UNITED STATES OF AMERICA

v.

MATTHEW O'CALLAGHAN

INDICTMENT FOR

18 U.S.C. § 1343

18 U.S.C. § 1957

18 U.S.C. § 2



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