

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA : Hon. Edward S. Kiel
v. :
: Mag. No. 21-15036
MELISSA CORSO : CRIMINAL COMPLAINT

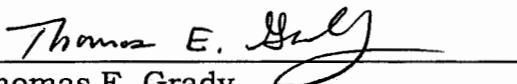
I, Thomas E. Grady, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

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

SEE ATTACHMENT B

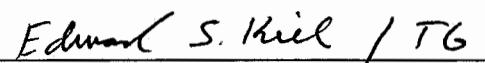
Continued on the attached page and made a part hereof:



Thomas E. Grady
Special Agent
Federal Bureau of Investigation

Attested to me by telephone pursuant to FRCP 4.1(b)(2)(A),
February 4, 2021 in the District of New Jersey

HONORABLE EDWARD S. KIEL
UNITED STATES MAGISTRATE JUDGE



Signature of Judicial Officer

ATTACHMENT A

Counts One and Two
(Wire Fraud)

From at least as early as in or about February 2013 through in or about July 2019, in Bergen County, in the District of New Jersey and elsewhere, defendant

MELISSA CORSO

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute such scheme and artifice, did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, the following writings, signs, signals, pictures, and sounds, each constituting a separate count of this Complaint.

Count	Approximate Date	Description
1	March 1, 2019	CORSO transferred \$1195.00 in customer payments owed to her employer to a personal PayPal account that CORSO controlled, resulting in an interstate wire transmission.
2	March 27, 2019	CORSO transferred \$1195.00 in customer payments owed to her employer to a personal PayPal account that CORSO controlled, resulting in an interstate wire transmission.

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

ATTACHMENT B

I, Thomas E. Grady, am a Special Agent with the Federal Bureau of Investigation. I have knowledge about the facts set forth below from my involvement in the investigation, my review of reports, documents, pictures, videos, witness interviews, and discussions with other law enforcement officials. Because this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact that I know concerning this investigation. All statements described herein are relayed in substance and in part. In addition, where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

Relevant Entities and Individuals

1. At all times relevant to this Complaint, unless otherwise indicated:
 - a. Victim Company, a Delaware corporation, was a security systems supplier with an office in Ridgefield Park, New Jersey.
 - b. Predecessor Victim Company was a developer of software and hardware technologies for video surveillance that was acquired by Victim Company in or around November 2015 (together with Victim Company, the "Victim Companies").
 - c. Defendant Melissa Corso ("CORSO") resided in or around Closter, New Jersey through approximately April 2018, was an employee of Predecessor Company, and began working for Victim Company after it acquired Predecessor Company.
 - d. Individual 1 was the Controller at Predecessor Company and began working for Victim Company after it acquired Predecessor Company.
 - e. Individual 2 was CORSO's husband.

The Scheme to Defraud

1. From in or about February 2013 through in or about July 2019, CORSO misappropriated more than approximately \$540,000 in customer payments owed to the Victim Companies by directing their customers to submit their payments to a PayPal account that CORSO had access to and control over (the "Scheme PayPal Account"). CORSO then transferred portions of the misappropriated payments to personal PayPal accounts controlled by or in the name of CORSO, Individual 1, and/or Individual 2, for their use and benefit.

2. As part of the fraudulent scheme, CORSO instructed certain customers of the Victim Companies to submit their payments to the Scheme PayPal Account. Specifically, CORSO sent one-time payment links to customers via CORSO's Victim Company work email account with instructions to submit payment to the Scheme PayPal Account. In reality, the Scheme PayPal Account was not authorized by the Victim Company to receive these payments.

3. From approximately February 2013 to July 2019, CORSO caused the Victim Companies' customers to pay over approximately \$3.1 million of funds due to the Victim Companies into the Scheme PayPal Account through at least approximately 1,150 transactions.

4. To receive money through PayPal, payment must be sent to a specific email address. The Scheme PayPal Account was linked to and had a PayPal ID consisting of CORSO's Victim Company work email address. CORSO's Closter, New Jersey home address, work telephone number, personal cellular telephone number, and personal email address were also associated with the Scheme PayPal Account.

5. CORSO, using her Victim Company work email address, made multiple withdrawals from the Scheme PayPal Account and diverted the funds to other PayPal Accounts linked to personal email accounts of CORSO, Individual 1, and Individual 2.

6. In addition, multiple transfers of funds were made from the Scheme PayPal Account to various commercial retailers, including eBay; Bloomingdale's; Best Buy; Dick's Sporting Goods; GrubHub; Forever 21; Louis Vuitton; MAC Cosmetics; and Target. A number of purchases from these commercial retailers were shipped to the home and/or work addresses of CORSO, Individual 1, and Individual 2. For example, records received from PayPal show that:

a. On or about August 17, 2015, CORSO transferred funds using her work email address from the Scheme Paypal Account to a PayPal account affiliated with Best Buy Co., Inc. in the amount of \$157.23, with

CORSO's name and Closter, New Jersey home address listed as the purchase shipping address.

b. On or about November 28, 2015, CORSO transferred funds using her work email address from the Scheme PayPal Account to a PayPal account affiliated with OnlineShoes in the amount of \$329.85, with CORSO's name and Closter, New Jersey home address listed as the purchase shipping address.

7. CORSO misappropriated significant amounts of the payments that were remitted to the Scheme PayPal Account by customers of the Victim Companies for the personal benefit of herself, Individual 1 and/or Individual 2. The remaining amounts of the customer payments made to the Scheme PayPal Account were then transferred to the Victim Companies' bank accounts.

8. To hide the fact that significant portions of customer payments were being fraudulently diverted for personal use, CORSO doctored the Victim Companies' internal records. CORSO was able to perpetuate the fraud in this manner for years based on her role and responsibilities for coordinating the collection of customer payments and applying payments to customer invoices.

9. Specifically, CORSO prepared false customer statements showing that customer payments were applied correctly (i.e., in their entirety), when in fact portions of those payments had been misapplied by CORSO. CORSO also misapplied more recent customer payments to older amounts owed by other customers that were still outstanding on the Victim Companies' books and records, thereby avoiding detection of the more "aged" outstanding amounts.

10. On or about July 8, 2019, CORSO was confronted by Victim Company employees regarding misapplication of its customers' payments. CORSO admitted to applying customer "A's" payment to customer "B's" account to keep the accounts receivable aging current, over the course of approximately three months. CORSO did not disclose the Scheme PayPal Account during this meeting; instead, she indicated that the payments had been misapplied because she was having personal issues and hadn't been able to keep up with her work duties and responsibilities.

11. In total, CORSO misappropriated approximately over \$540,000.00 in customer payments owed to the Victim Companies for the benefit of CORSO, Individual 1, and Individual 2.