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U.S. DISTRICT COURT
EASTERN DISTRICT OF LA.

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CAROL L. MICHEL
CLERK

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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

**SUPERSEDING INDICTMENT FOR CONSPIRACY TO COMMIT BANK FRAUD,
CONSPIRACY TO COMMIT MONEY LAUNDERING, AND BANK FRAUD**

UNITED STATES OF AMERICA

*

CRIMINAL NO. 21-179

v.

*

SECTION: "H"(2)

GLENN E. DIAZ

*

VIOLATIONS:

PETER J. "PETE" JENEVEIN

*

18 U.S.C. § 1344(2)

MARK S. GRELE

*

18 U.S.C. § 1349

18 U.S.C. § 1956(a)(1)(B)(i)

*

18 U.S.C. § 1956(h)

18 U.S.C. § 2

* * *

The Grand Jury charges that:

COUNT 1

(Conspiracy to Commit Bank Fraud)

A. AT ALL TIMES MATERIAL HEREIN:

1. Defendant **GLENN E. DIAZ** ("DIAZ") was a resident of Louisiana with additional properties located in Mississippi, Wyoming, Alaska, Nicaragua, and Canada. In addition, **DIAZ** controlled a company called MetalPro Industries, LLC.

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2. Defendant **PETER J. “PETE” JENEVEIN (“JENEVEIN”)** was a resident of Florida and was an employee of **DIAZ**’s.

3. Defendant **MARK S. GRELLE (“GRELLE”)** was a resident of Louisiana and an associate of **DIAZ**’s.

4. First NBC Bank was a financial institution, as defined in Title 18, United States Code, Section 20, and a member of the Federal Deposit Insurance Corporation (“FDIC”) with federally insured deposit accounts. First NBC Bank (“the Bank”) was established in or about 2006, with its headquarters in New Orleans, Louisiana, within the Eastern District of Louisiana. At various times, First NBC Bank maintained branch offices in Louisiana, Mississippi, and Florida.

5. The Bank was the wholly-owned subsidiary of First NBC Bank Holding Company. In or around May 2013, First NBC Bank Holding Company became a publicly-traded company listed on the NASDAQ.

6. On or about April 28, 2017, the Bank was closed by the Louisiana Office of Financial Institutions. The FDIC was named Receiver.

7. The Bank provided loans to individuals and businesses. The Bank required that customers who applied for loans provide the intended purpose of the loan. The Bank further required that customers use loan proceeds in a manner consistent with the intended purpose of the loan.

8. **DIAZ** was a customer of the Bank from approximately 2006 until it closed in 2017. During this period, **DIAZ** had various loans with the Bank.

9. Some of **DIAZ**’s loans with the Bank were secured by collateral, which meant that if **DIAZ** defaulted on his loans to the Bank, the Bank could seize the collateral from **DIAZ** and sell it or otherwise dispose of it to recoup the Bank’s losses. The collateral included properties and buildings that **DIAZ** owned, both personally and through businesses that he controlled. One piece

of property that served as collateral for the Bank's loans to **DIAZ** was a parcel of land in Florida with a warehouse on it.

10. **DIAZ** also had checking and savings accounts at the Bank. When **DIAZ** wrote checks for amounts that exceeded the funds in the account on which the check was drawn, it created an overdraft. The Bank could, at the discretion of certain Bank officers, pay checks that **DIAZ** wrote despite the overdraft, and the Bank did so regularly for **DIAZ**. The Bank used proceeds from loans to **DIAZ** to pay the overdrafts. In several instances, **DIAZ** and **JENEVEIN** told the Bank that they were overdrawing **DIAZ**'s account to improve the Florida warehouse property.

11. In or around August 2015, Bank officers began asking **DIAZ** to provide additional information about the use of the funds for which **DIAZ** was writing the checks causing overdrafts. The Bank needed additional information from **DIAZ** because several of the checks were written from **DIAZ**'s account at First NBC to **DIAZ** himself and deposited in **DIAZ**'s personal account at another bank. Through the end of 2015, Bank officers continued to ask **DIAZ** for additional information about the source of the overdrafts.

12. In and around April 2016, Bank officers began asking **DIAZ** and **JENEVEIN** for information about specific expenses associated with each check.

13. In or around June 2016, Bank officers informed **DIAZ** and **JENEVEIN** that the Bank would only pay **DIAZ**'s overdraft checks if **DIAZ** provided additional information to the Bank about the use of the funds. Specifically, the officers instructed **DIAZ** that the Bank would only pay checks written for expenses related to the Florida warehouse if the Bank received details about the expenses, such as the category of expense (for example, electrical, landscaping, or construction work) and the specific amount attributable to each category of expense.

14. Bank officers also instructed **DIAZ** to write the checks for those expenses directly from a checking account at First NBC Bank to the vendor, rather than **DIAZ** writing checks from First NBC Bank to **DIAZ**'s name and depositing them at accounts at another bank. That requirement allowed Bank employees to monitor **DIAZ**'s expenditure of the Bank's money.

15. In or around early June 2016, three checks were written from **DIAZ**'s First NBC account to **DIAZ**. When **DIAZ** attempted to deposit these checks into his account at another bank, First NBC declined to honor those checks and returned the checks for non-sufficient funds.

16. On or about July 5, 2016, First NBC Bank agreed to honor checks written to **DIAZ** from his account while that account was in an overdraft status if **DIAZ** provided documentation to verify that the funds were being used for **DIAZ**'s Florida warehouse property.

B. THE CONSPIRACY TO COMMIT BANK FRAUD:

Beginning at a time unknown, but no later than April 15, 2016, and continuing through at least December 20, 2016, in the Eastern District of Louisiana, and elsewhere, the defendants, **DIAZ**, **JENEVEIN**, and **GRELLE**, and others known and unknown to the Grand Jury, did knowingly and willfully combine, conspire, confederate, and agree to knowingly execute a scheme and artifice to obtain any of the moneys, funds, credits, and assets, owned by and under the custody or control of First NBC Bank, a federally insured financial institution, by means of false and fraudulent pretenses, representations, and promises, relating to a material fact, in violation of Title 18, United States Code, Section 1344(2).

C. THE SCHEME AND ARTIFICE TO DEFRAUD:

1. It was part of the scheme and artifice to defraud that the defendants, **DIAZ**, **JENEVEIN**, and **GRELLE**, fraudulently obtained money from First NBC Bank and concealed the use of this money for their own personal benefit.

2. It was further part of the scheme and artifice to defraud that **DIAZ, JENEVEIN**, and **GRELLE** created fraudulent business invoices that falsely stated that **GRELLE**'s company performed services for **DIAZ**'s Florida warehouse. **DIAZ** and **JENEVEIN** provided these fraudulent invoices to the Bank to support disbursements of money from the Bank to a company purportedly owned by **GRELLE**, Grelle Underground Services LLC. **GRELLE** then funneled the money back to **DIAZ**, while **GRELLE** kept a portion of the money for himself.

3. On or about April 15, 2016, **DIAZ** opened a personal bank account at JPMorgan Chase bank.

4. On or about May 27, 2016, **GRELLE** opened a Regions bank account under his name, doing business as "Grelle Underground Services LLC."

5. On or about the dates and in the approximate amounts listed below, defendants **DIAZ, JENEVEIN**, and **GRELLE** caused a total of seventeen (17) circular transactions to occur, with outbound checks being drawn from **DIAZ**'s First NBC Bank account and made out to "Grelle Services." The checks were deposited in **GRELLE**'s Grelle Underground Services account at Regions Bank. Return checks to **DIAZ** were then drafted from one of **GRELLE**'s accounts and deposited in **DIAZ**'s personal account at JPMorgan Chase bank:

Transaction	Outbound Check Date	Outbound Check Amount	Return Check Date	Return Check Amount
1	July 12, 2016	\$19,720.36	July 21, 2016	\$19,000.00
2	July 20, 2016	\$17,796.80	August 1, 2016	\$17,796.00
3	July 28, 2016	\$18,933.00	August 9, 2016	\$18,000.00
4	August 9, 2016	\$19,718.16	August 19, 2016	\$19,000.00
5	August 15, 2016	\$19,166.00	September 7, 2016	\$19,000.00
6	August 24, 2016	\$17,871.00	September 2, 2016	\$17,000.00
7	September 1, 2016	\$23,687.33	September 16, 2016	\$23,000.00
8	September 13, 2016	\$22,981.70	September 21, 2016	\$22,000.00
9	September 17, 2016	\$18,518.00	September 29, 2016	\$18,518.00
10	September 22, 2016	\$21,950.18	October 4, 2016	\$21,000.00
11	October 8, 2016	\$21,069.76	October 20, 2016	\$21,069.50
12	October 15, 2016	\$19,646.30	October 27, 2016	\$19,646.30

13	October 26, 2016	\$22,604.08	November 3, 2016	\$21,604.00
14	November 4, 2016	\$21,726.98	November 23, 2016	\$20,450.00
15	November 20, 2016	\$20,507.36	December 2, 2016	\$17,607.00
16	December 1, 2016	\$17,871.00	December 12, 2016	\$17,000.00
17	December 7, 2016	\$22,073.40	December 20, 2016	\$19,000.00

6. It was further part of the scheme and artifice to defraud that **DIAZ, JENEVEIN**, and **GRELLE** created fraudulent business invoices, payroll, and credit card itemizations for costs incurred in maintaining **DIAZ's** Florida warehouse. **DIAZ** and **JENEVEIN** provided these fraudulent documents to the Bank to support disbursements of money from the Bank that purportedly reimbursed **DIAZ** for these business costs. In truth and in fact, however, these costs were inflated, not incurred, or they were for other expenses that were not related to maintaining **DIAZ's** Florida warehouse.

7. On or about the dates and in the approximate amounts listed below, defendants **DIAZ, JENEVEIN**, and **GRELLE** caused overdraft checks to be drafted from **DIAZ's** First NBC account and payable to **DIAZ** that were in whole or in part supported by fraudulent documents for costs purportedly incurred in maintaining **DIAZ's** Florida warehouse:

Date of Check	Amount
July 5, 2016	\$43,567.00
July 5, 2016	\$34,834.37
July 13, 2016	\$13,774.73
July 19, 2016	\$22,400.00
July 29, 2016	\$23,400.00
August 2, 2016	\$10,000.00
August 4, 2016	\$40,352.81
August 4, 2016	\$12,850.77
August 5, 2016	\$9,888.00
August 12, 2016	\$11,874.32
August 12, 2016	\$7,946.30
August 26, 2016	\$25,000.00
August 31, 2016	\$48,279.70
August 31, 2016	\$13,943.02
September 27, 2016	\$25,250.00
October 5, 2016	\$29,366.48
October 7, 2016	\$7,236.99

October 27, 2016	\$24,600.00
November 5, 2016	\$39,450.80
November 14, 2016	\$14,584.96
November 25, 2016	\$29,050.00
December 8, 2016	\$67,512.26

All in violation of Title 18, United States Code, Section 1349.

COUNT 2

(Conspiracy to Commit Money Laundering)

A. AT ALL TIMES MATERIAL HEREIN:

The allegations contained in Parts A and C of Count 1 of this Superseding Indictment are hereby re-alleged and incorporated herein by reference.

B. THE CONSPIRACY:

Beginning at a time unknown, but no later than April 15, 2016, and continuing through at least December 20, 2016, in the Eastern District of Louisiana, and elsewhere, the defendants, **GLENN E. DIAZ, PETER J. "PETE" JENEVEIN, and MARK S. GRELLE**, and others known and unknown to the Grand Jury, did knowingly and willfully combine, conspire, and agree with each other to commit offenses against the United States, to wit, to knowingly conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, which transactions involved the proceeds of specified unlawful activity, to wit, bank fraud, in violation of Title 18, United States Code, Section 1344, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, and that while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 3-31
(Bank Fraud)

A. AT ALL TIMES MATERIAL HEREIN:

The allegations contained in Parts A and C of Count 1 of this Superseding Indictment are hereby re-alleged and incorporated herein by reference.

B. THE OFFENSE:

On or about the dates and in the approximate amounts set forth below, in the Eastern District of Louisiana and elsewhere, the defendants, **GLENN E. DIAZ, PETER J. “PETE” JENEVEIN,** and **MARK S. GRELLE**, did knowingly execute and attempt to execute a scheme and artifice to obtain any of the moneys, funds, credits, and assets, owned by and under the custody or control of First NBC Bank, a federally insured financial institution, by means of false and fraudulent pretenses, representations, and promises, relating to a material fact:

Count	Defendants	Date of Check	Amount
3	DIAZ, JENEVEIN, and GRELLE	July 5, 2016	\$43,567.00
4	DIAZ, JENEVEIN, and GRELLE	July 12, 2016	\$19,720.36
5	DIAZ, JENEVEIN, and GRELLE	July 20, 2016	\$17,796.80
6	DIAZ, JENEVEIN, and GRELLE	July 28, 2016	\$18,933.00
7	DIAZ and JENEVEIN	August 2, 2016	\$10,000.00
8	DIAZ and JENEVEIN	August 4, 2016	\$40,352.81
9	DIAZ and JENEVEIN	August 4, 2016	\$12,850.77
10	DIAZ and JENEVEIN	August 5, 2016	\$9,888.00
11	DIAZ, JENEVEIN, and GRELLE	August 9, 2016	\$19,718.16
12	DIAZ and JENEVEIN	August 12, 2016	\$11,874.32
13	DIAZ and JENEVEIN	August 12, 2016	\$7,946.30
14	DIAZ, JENEVEIN, and GRELLE	August 15, 2016	\$19,166.00
15	DIAZ, JENEVEIN, and GRELLE	August 24, 2016	\$17,871.00
16	DIAZ and JENEVEIN	August 31, 2016	\$48,279.70
17	DIAZ and JENEVEIN	August 31, 2016	\$13,943.02
18	DIAZ, JENEVEIN, and GRELLE	September 1, 2016	\$23,687.33
19	DIAZ, JENEVEIN, and GRELLE	September 13, 2016	\$22,981.70

20	DIAZ, JENEVEIN, and GRELLE	September 17, 2016	\$18,518.00
21	DIAZ, JENEVEIN, and GRELLE	September 22, 2016	\$21,950.18
22	DIAZ, JENEVEIN, and GRELLE	October 8, 2016	\$21,069.76
23	DIAZ, JENEVEIN, and GRELLE	October 15, 2016	\$19,646.30
24	DIAZ, JENEVEIN, and GRELLE	October 26, 2016	\$22,604.08
25	DIAZ, JENEVEIN, and GRELLE	November 4, 2016	\$21,726.98
26	DIAZ and JENEVEIN	November 5, 2016	\$39,450.80
27	DIAZ and JENEVEIN	November 14, 2016	\$14,584.96
28	DIAZ, JENEVEIN, and GRELLE	November 20, 2016	\$20,507.36
29	DIAZ, JENEVEIN, and GRELLE	December 1, 2016	\$17,871.00
30	DIAZ, JENEVEIN, and GRELLE	December 7, 2016	\$22,073.40
31	DIAZ and JENEVEIN	December 8, 2016	\$67,512.26

In violation of Title 18, United States Code, Sections 1344(2) and 2.

NOTICE OF FORFEITURE

1. The allegations of Counts 1 through 31 of this Superseding Indictment are incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States.

2. As a result of the offenses alleged in Counts 1 and 3 through 31, the defendants, **GLENN E. DIAZ, PETER J. "PETE" JENEVEIN, and MARK S. GRELLE**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a)(2), any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violations.

3. As a result of the offense alleged in Count 2, the defendants, **DIAZ, JENEVEIN, and GRELLE**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a)(1), any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation.

4. If any of the above-described property, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- 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 subdivided without difficulty;

the United States shall seek a money judgment and, pursuant to Title 21, United States Code, Section 853(p), forfeiture of any other property of the defendants up to the value of said property.



DUANE A. EVANS
UNITED STATES ATTORNEY

A handwritten signature in black ink, appearing to read 'Matthew R. Payne', written over a horizontal line.

MATTHEW R. PAYNE
Assistant United States Attorney

A handwritten signature in black ink, appearing to read 'Nicholas D. Moses', written over a horizontal line.

NICHOLAS D. MOSES
Assistant United States Attorney

A handwritten signature in black ink, appearing to read 'J. Ryan McLaren', written over a horizontal line.

J. RYAN McLAREN
Assistant United States Attorney

New Orleans, Louisiana
November 4, 2022