

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION

FILED
U.S. DISTRICT COURT
INDIANAPOLIS DIVISION

17 APR -3 PM 2:52

SOUTHERN DISTRICT
OF INDIANA
LAURA A. BRIGGS
CLERK

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

MICHAEL E. SALLEE,)

Defendant.)

CAUSE NO.

1 : 17 - cr - 0054 TWP - DML

INFORMATION

The United States Attorney charges that:

COUNT 1
18 U.S.C. § 1341
(Mail Fraud)

Background

1. Beginning in or before 1999 and continuing until approximately August 2013, the Defendant, MICHAEL E. SALLEE, a certified public accountant and a resident of Bloomington, Indiana, which is in the Southern District of Indiana, served as an accountant and financial adviser for Victim 1, a resident of Madison, Indiana, which is also in the Southern District of Indiana.

2. As Victim 1's accountant and financial adviser, SALLEE was entrusted with managing Victim 1's financial affairs, including managing Victim 1's bank accounts and investments, ensuring Victim 1 had cash available for paying personal expenses, and preparing and filing Victim 1's taxes.

Scheme to Defraud

3. Beginning on or about December 15, 2003 and continuing until on or about August 9, 2013, SALLEE engaged in a scheme to defraud Victim 1 by concealing his embezzlement, diversion, and misappropriation of funds from Victim 1's bank and investment accounts to his own accounts for his personal use and benefit, including vacations to Disney World, Mackinac Island, and Yellowstone National Park; golf club memberships; meals at restaurants; and retail purchases.

4. At no time did Victim 1 authorize the payment of these funds from her accounts to SALLEE.

5. In total, SALLEE embezzled, diverted, and misappropriated \$1,193,781.90 in funds through approximately 98 payments he secretly directed from Victim 1's accounts to his own accounts.

Manner and Means

6. At no time during this time did SALLEE inform Victim 1 that he was making payments to himself from her account. Rather, during this time, Victim 1 communicated regularly with SALLEE and SALLEE repeatedly reassured her that her money was safe and would be available if she needed it.

7. To embezzle, divert, and misappropriate funds from certain of Victim 1's accounts, SALLEE misrepresented to Bank A that he was Victim 1's power of attorney and was authorized to sign Victim 1's checks drawn on accounts at Bank A. At no time did Victim 1 execute a power of attorney for SALLEE.

8. In or about 2010, Victim 1 asked her daughter to assist in helping her communicate with SALLEE and understand her financial status. On or around October 31,

2010, Victim 1's daughter, at her request, with a document entitled "Personal Financial Statement" that purported to show Victim 1's various account balances as of that date. This document did not contain any reference to SALLEE's payments from Victim 1's account to himself. Additionally, this document overstated the amount of cash in Victim 1's account by approximately \$130,000.

9. On or around August 1, 2013, again at Victim 1's daughter's request, SALLEE mailed to Victim 1's daughter a document entitled "Personal Financial Statement" that purported to show Victim 1's various account balances as of June 30, 2013. This document also did not contain any reference to SALLEE's payments from Victim 1's account to himself. Additionally, this document overstated the value of mutual funds Victim 1's investment account by approximately \$64,000.

10. Finally, between approximately August 1, 2013 and August 9, 2013, SALLEE exchanged email communications with Victim 1's daughter in which he repeatedly reassured Victim 1's daughter that Victim 1's money was secure. For example, in response to one email message in which Victim 1's daughter questioned certain account balances, SALLEE stated that he would get back to her with the requested information and concluded by saying "Please reassure [Victim 1] it will be fine." At no point in these communications did SALLEE mention that, by this point, he had diverted over \$1.1 million in Victim 1's funds.

The Charge

11. Accordingly, beginning on or about December 15, 2003 and continuing until on or about August 9, 2013, in the Southern District of Indiana and elsewhere, the Defendant, MICHAEL E. SALLEE, did knowingly and with intent to defraud, devise a scheme and artifice to defraud Victim 1, and to obtain money and property from Victim 1 by means of materially

false and fraudulent pretenses, representations, and promises, knowing that such pretenses, representations, and promises were false and fraudulent when made.

12. Specifically, on or about August 1, 2013, in with Southern District of Indiana, the Defendant, MICHAEL E. SALLEE, for the purpose of executing the aforesaid scheme and artifice to defraud, and attempting to do so, did knowingly cause to be delivered by U.S. mail at the place at which it was directed to be delivered by the person to whom it was addressed the following matter: a letter from MICHAEL E. SALLEE in Bloomington, Indiana to Victim 1's daughter in Santa Claus, Indiana, which enclosed a copy of the materially false financial statement dated June 30, 2013 referenced above.


All of which is in violation of Title 18, United States Code, Section 1341.



JOSH J. MINKLER
United States Attorney

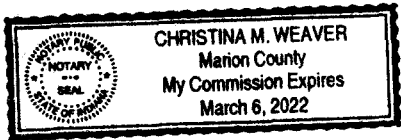
STATE OF INDIANA)
)
COUNTY OF MARION) SS:


Nicholas J. Linder, being first duly sworn, upon his oath deposes and says that he is an Assistant United States Attorney in and for the Southern District of Indiana, that he makes this affidavit for and on behalf of the United States of America and that the allegations in the foregoing Information are true as he is informed and verily believes.



Nicholas J. Linder
Assistant United States Attorney

Subscribed and sworn to before me, a notary public, on this 28 th day of March, 2017.





Christina M. Weaver
Notary Public

My Commission Expires:

March 6, 2022

My County of Residence:

Marion