

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)
) No.
) v.)
) Violation: Title 18, United States Code,
BRADLEY SCHILLER) Section 1343
)

COUNT ONE

The UNITED STATES ATTORNEY charges:

1. At times material to this information:

a. Defendant BRADLEY SCHILLER held himself out to the public as being in the business of buying and selling commodity futures contracts. The defendant represented that this commodities futures trading was profitable.

b. During the period from in or about 2007 to in or about 2012, defendant BRADLEY SCHILLER raised more than \$10,000,000 from providers of funds, including a federally insured financial institution, namely The PrivateBank and Trust Company, primarily in connection with the defendant's commodities futures trading.

2. Beginning no later than in or about 2007 and continuing to at least in or about 2012, in the Northern District of Illinois, Eastern Division, and elsewhere,

BRADLEY SCHILLER,

defendant herein, devised and intended to devise and participated in a scheme to defraud, affecting a federally insured financial institution and other providers of funds, and to obtain

money by means of materially false and fraudulent pretenses, promises and representations, and by concealment of material facts.

3. As a part of a fraudulent financing scheme designed to obtain and retain money to finance his commodities futures trading, to make Ponzi-type payments to earlier providers of funds, and to pay personal and family expenses, defendant BRADLEY SCHILLER fraudulently raised over \$10,000,000. In fraudulently raising these funds, defendant lied to providers of funds and prospective providers of funds about the profitability of his commodities futures trading, the use of money the defendant raised, the risks involved in providing him with money, his financial condition and the status of provided funds. Defendant misappropriated a substantial portion of the money raised and concealed his scheme by making Ponzi-type payments to victims and by creating and distributing to providers of funds fraudulent documents, including phony commodities brokerage account statements, phony bank account statements, false financial statements and false tax forms.

4. It was part of the scheme that defendant BRADLEY SCHILLER falsely represented to certain providers of funds and prospective providers of funds that his commodities futures trading was profitable and that providers of funds would be repaid, at least in part from his commodities futures trading profits. In fact, during the course of his scheme, defendant had trading losses of more than \$1,500,000 and needed to continually raise new funds to repay earlier providers of funds.

5. It was further part of the scheme that defendant BRADLEY SCHILLER falsely represented his financial condition to certain providers of funds and prospective providers of funds. For instance, defendant falsely represented to The PrivateBank & Trust Company, in connection with obtaining an approximately \$2,000,000 line of credit, that he had a net worth of about \$2,600,000, and an overall balance in his commodities accounts as of the end of April 2009 of approximately \$5,500,000. As defendant knew, his net worth at the time was negative and his overall balance in his commodities accounts was nearly zero.

6. It was further part of the scheme that defendant BRADLEY SCHILLER falsely represented to certain providers of funds and prospective providers of funds that their funds would be kept in a commodities account separate from the defendant's trading accounts or otherwise would not be put at risk, when defendant intended to and did misappropriate the funds for purposes of his commodities futures trading, for making Ponzi-type payments to other providers of funds and for paying personal and family expenses such as the purchase of a Range Rover, the purchase of jewelry, the payment of condominium fees, the payment of housing rental fees for his mother-in-law and the payment of country club fees.

7. It was further part of the scheme that defendant BRADLEY SCHILLER falsely represented to providers of funds and prospective providers of funds that he would repay principal and interest, when defendant knew that he was financially unable to do so without engaging in a form of Ponzi scheme. That is, defendant BRADLEY SCHILLER knew and concealed that his trading was unprofitable, that his net worth during most of his

scheme was negative and that the only way he could make promised payments to providers of funds was to continually raise funds from new providers of funds.

8. It was further part of the scheme that defendant BRADLEY SCHILLER, in order to mislead certain providers of funds and prospective providers of funds about his trading, about his financial condition and about the status of provided funds, created and distributed phony commodities account statements, phony bank statements, false financial statements and false tax documents. Defendant also forged the signature of a commodities brokerage firm employee on a document he submitted to a provider of funds.

9. It was further part of the scheme that defendant BRADLEY SCHILLER misrepresented, concealed and hid, and caused to be misrepresented, concealed and hidden, certain material facts, including acts and purposes of acts done in furtherance of the scheme.

10. As a result of the scheme, defendant BRADLEY SCHILLER fraudulently raised over \$10,000,000 and misappropriated a substantial portion of those funds for his personal commodities futures trading, to make Ponzi-type payments and to benefit himself and his family. Victim providers of funds ultimately lost at least approximately \$5,000,000.

11. On or about February 14, 2011, in the Northern District of Illinois, Eastern Division, and elsewhere,

BRADLEY SCHILLER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce certain writings, signs and signals to Hinsdale, Illinois, by way of a location outside Illinois, namely an email from

defendant to a representative of a victim provider of funds, which email included phony commodities account statements;

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

COUNT TWO

The UNITED STATES ATTORNEY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about March 23, 2010, in the Northern District of Illinois, Eastern

Division, and elsewhere,

BRADLEY SCHILLER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain wirings, signs and signals to Hinsdale, Illinois, by way of a location outside Illinois, namely an email from defendant to a representative of a victim provider of funds, which email included phony commodities account statements;

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

COUNT THREE

The UNITED STATES ATTORNEY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about January 13, 2011, in the Northern District of Illinois, Eastern Division, and elsewhere,

BRADLEY SCHILLER,

defendant herein, for the purpose of executing the scheme, knowingly caused to be transmitted by means of wire communication in interstate commerce, certain wirings, signs and signals to Hinsdale, Illinois, by the way of a location outside Illinois, namely an email from defendant to a representative of a provider of funds, which email included phony commodities account statements;

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

UNITED STATES ATTORNEY