

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim No. 11-
 :
 : 18 U.S.C. § 152(1), 152(2)
 : and § 2
 MARJORIE PARISE : 31 U.S.C. §§ 5324(a)(3) and
 : (d)(2)

INDICTMENT

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

COUNT ONE - BANKRUPTCY FRAUD
(18 U.S.C. § 152(1))

1. At all times relevant to this Indictment:
 - A. Defendant MARJORIE PARISE was a resident of New Jersey.
 - B. Defendant MARJORIE PARISE was the sole shareholder of K&R Custom Homes, Inc., a New Jersey corporation.
 - C. Defendant MARJORIE PARISE was the sole shareholder of Paris Custom Homes, Inc., a New Jersey corporation.
 - D. Defendant MARJORIE PARISE was the sole owner of Paris Land, LLC, a New Jersey limited liability company.
 - E. Ocean First Bank was a financial institution within the meaning of Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).
 - F. Bank of America was a financial institution within the meaning of Title 31, United States Code, Section

5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).

G. Commerce Bank was a financial institution within the meaning of Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).

H. Shore Community Bank was a financial institution within the meaning of Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).

I. Washington Mutual Bank was a financial institution within the meaning of Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).

J. RBC Wealth Management was a financial institution within the meaning of Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a).

K. Title 31, United States Code, Section 5313(a), and Title 31, Code of Federal Regulations, Section 103.22(a) required that the financial institutions referred to in this Indictment file Currency Transaction Reports ("CTRs") of each deposit, withdrawal, exchange of currency or other payment and

transfer, by, through, or to such financial institution that involved a transaction of currency of more than \$10,000.

2. In or about 2003, Defendant MARJORIE PARISE invested approximately \$115,750 with a company known as Global Trading Investments LLC ("Global Trading") and thereafter received purported profits from Global Trading totaling \$429,154.91.

3. The owners of Global Trading were, in fact, operating what is known as a "Ponzi scheme" and the purported profits that Defendant MARJORIE PARISE received from Global Trading were actually the investments of other individuals.

4. On or about September 30, 2004, Global Trading filed for Chapter 7 bankruptcy in the District of New Jersey. That case was captioned In re: Global Trading Investments, LLC, Case No. 04-41297 (RG) (Bankr. D.N.J.) (Hereinafter the "Global Trading Bankruptcy Proceeding").

5. In or about August 2006, The Bankruptcy Court in the Global Trading Bankruptcy Proceeding ordered all investors who profited from the scheme to repay all amounts in excess of their investment.

6. Accordingly, on or about August 24, 2006, a judgment was entered in the Global Trading Bankruptcy Proceeding against Defendant MARJORIE PARISE for her purported profits. This judgment was modified, and thereafter a final judgment was

entered against Defendant MARJORIE PARISE for approximately \$243,404.91.

7. All of the other investors who had received purported profits from their investments with Global Trading complied with orders entered by the Bankruptcy Court in the Global Trading Bankruptcy Proceeding and repaid the purported profits they had received from Global Trading. However, Defendant MARJORIE PARISE refused to do so. In fact, Defendant MARJORIE PARISE took numerous steps to fraudulently conceal a significant amount of funds and assets by among other things, the following:

- A. From on or about September 14, 2006, through on or about December 8, 2006, Defendant MARJORIE PARISE withdrew at least approximately \$455,850 in cash from approximately seventeen (17) different bank accounts she held in her name and the names of K&R Custom Homes, Inc., Paris Custom Homes, Inc., and Paris Land, LLC, at the Bank of America, Commerce Bank, Ocean First Bank, Shore Community Bank, Washington Mutual Bank and RBC Wealth Management (the "Parise Accounts"). Specifically, in this approximately eighty-five (85) day period, Defendant MARJORIE PARISE made approximately sixty-seven (67) currency withdrawals from the Parise Accounts. None of these approximately sixty-seven (67) withdrawals from the Parise Accounts

exceeded the \$10,000 threshold for the filing of Currency Transaction Reports.

- B. Defendant MARJORIE PARISE also continually moved money between the various Parise Accounts.
- C. In or about November, 2006, Defendant MARJORIE PARISE transferred ownership of her residence from her name only to the names of both her and her husband. The Defendant MARJORIE PARISE then increased the home equity line of credit on the home from \$118,800 to \$250,000 on or about November 3, 2006.
- D. On or about December 20, 2006, Defendant MARJORIE PARISE was deposed under oath by the attorney for the Trustee of the Bankruptcy Estate of Global Trading Investments LLC.
 - i. This deposition was pursuant to an Order of Discovery and Petition for Documents entered by the Bankruptcy Court in the Global Trading Bankruptcy Proceeding, pursuant to which Defendant MARJORIE PARISE was required to produce all records, statements and canceled checks concerning all bank, brokerage or retirement accounts in which she and her husband had an interest.

- ii. At the deposition, Defendant MARJORIE PARISE claimed that she only maintained three bank accounts, all at Ocean First Bank.
- iii. At the deposition, Defendant MARJORIE PARISE produced documents relating to only the three bank accounts at Ocean First Bank.
- iv. In fact, Defendant MARJORIE PARISE maintained an additional approximately fourteen (14) bank accounts in her name and the names of K&R Custom Homes, Inc., Paris Custom Homes, Inc., and Paris Land, LLC, at other financial institutions including Bank of America, Commerce Bank, Shore Community Bank, Washington Mutual Bank and RBC Wealth Management (the "Other Parise Accounts"). The total dollar amounts contained in the Other Parise Accounts was more than approximately \$440,000 in or about August, 2006, before Defendant MARJORIE PARISE engaged in the structured withdrawals described in Paragraph 7(A), herein.
- v. At no point during her deposition did Defendant MARJORIE PARISE disclose the existence of the Other Parise Accounts to the Trustee.
- vi. At no point during her deposition did Defendant MARJORIE PARISE disclose the structured withdrawals

from the Parise Accounts described in Paragraph 7(A), herein. Rather, Defendant MARJORIE PARISE claimed that she had used all of the purported profits that she had received from Global Trading to pay off her bills, most of which she claimed were legal bills.

8. On or about July 7, 2008, Defendant MARJORIE PARISE filed for individual Chapter 7 bankruptcy protection. That case was captioned In re: Marjorie Parise, Case No. 08-22743 (RTL) (Bankr. D.N.J.) (Hereinafter the "Parise Bankruptcy Proceeding") On her bankruptcy petition, Defendant MARJORIE PARISE failed to report millions of dollars in real estate holdings plus hundreds of thousands of personal assets. Specifically:

A. In the Parise Bankruptcy Proceeding Petition, Defendant MARJORIE PARISE claimed to have \$2,605,000 of real estate property, and \$3,000 of personal property. She claimed to have no cash in the bank, jewelry, boats, machines, or other personal items. However, according to financial statements Defendant MARJORIE PARISE submitted to financial institutions in 2007, she acknowledged that she had \$5,778,000 in real estate property, \$1,600,000 in furniture, \$500,000 in guitars, an \$85,000 boat, \$75,000 of machines, and \$500,000 in cash.

B. In the Parise Bankruptcy Proceeding Petition, Defendant MARJORIE PARISE claimed to have no current income, that she received no income in 2007, and her income in 2006 was \$50,000. However, according to financial statements Defendant MARJORIE PARISE submitted to financial institutions in 2007, she acknowledged that her income in 2006 was approximately \$271,600, and her income in 2007 was approximately \$271,600.

9. From on or about September 14, 2006, until on or about July 7, 2008, in the District of New Jersey, and elsewhere, the defendant,

MARJORIE PARISE,

knowingly and fraudulently concealed property belonging to the estate of a debtor from a trustee charged with the control and custody of property and, in connection with a case under Title 11 of the United States Code, from creditors and the United States Trustee.

In violation of Title 18, United States Code, Section 152(1) and Title 18, United States Code, Section 2.

COUNT TWO - FALSE STATEMENTS
(18 U.S.C. § 152(2))

1. Paragraphs 1 through 8 of Count One are re-alleged and incorporated herein.

2. On about December 20, 2006, in the District of New Jersey and elsewhere, the defendant,

MARJORIE PARISE,

did knowingly and fraudulently make a material false oath and account in a case under Title 11 of the United States Code, by testifying under oath that she maintained only three (3) bank accounts, all at Ocean First Bank, when, in fact, Defendant MARJORIE PARISE maintained approximately fourteen (14) other accounts with other financial institutions including Bank of America, Commerce Bank, Shore Community Bank, Washington Mutual Bank and RBC Wealth Management.

In violation of Title 18, United States Code, Section 152(2) and Title 18, United States Code, Section 2.

COUNT THREE - STRUCTURING TRANSACTIONS
(31 U.S.C. §§ 5324(a)(3) and (d)(2) and 18 U.S.C. § 2)

1. Paragraphs 1 through 8 of Count One are re-alleged and incorporated herein.

2. From on or about September 14, 2006, through on or about December 8, 2006, in the District of New Jersey and elsewhere, defendant,

MARJORIE PARISE,

for the purpose of evading the reporting requirements set forth in Title 31, United States Code, Section 5313(a) and the regulations promulgated thereto with respect to such transactions, did knowingly structure and assist in structuring a transaction with one or more domestic financial institutions by causing United States currency to be withdrawn in amounts of less than \$10,000.

3. Defendant MARJORIE PARISE committed these acts of structuring as part of a pattern of illegal activity involving more than \$100,000.00 in a twelve-month period.

In violation of Title 31, United States Code, Sections 5324(a)(3) and (d)(2) and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS

1. The allegations contained in Counts One, Two and Three of this Indictment are incorporated by reference as though set forth in full herein for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 31, United States Code, Section 5317(c)(1)

2. In the event of the defendant's convictions under Counts One and Two of this Indictment, the defendant,

MARJORIE PARISE,

shall forfeit to the United States any and all property, real or personal, which constitutes or is derived from proceeds traceable to such violations, including \$243,404.91 and all interest and proceeds traceable thereto, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

3. In the event of the defendant's conviction under Count Three of this Indictment, the defendant,

MARJORIE PARISE,

shall forfeit to the United States any and all property, real or personal, which constitutes or is derived from proceeds traceable to such violations, including \$455,850.00 and all interest and proceeds traceable thereto, pursuant to Title 31, United States Code, Section 5317(c)(1).

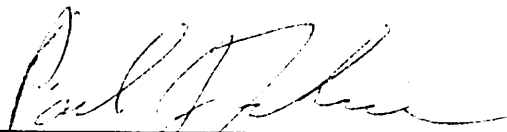
4. If by any act or omission of the defendant any of the property subject to forfeiture described in paragraph 2 or 3 above --

- 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 subdivided without difficulty,

it is the intent of the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), and Title 31, United States Code, Section 5317(c)(1), to seek forfeiture of any other property of the defendant up to the value of the property described above.

A TRUE BILL

FOREPERSON



PAUL J. FISHMAN, JR.
United States Attorney