

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
: :
v. : Crim. No. 15-_____
: :
: 18 U.S.C. § 1349
MELVIN FELIZ : 26 U.S.C. § 7201

INFORMATION

COUNT ONE

(Conspiracy to Commit Wire Fraud)

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

BACKGROUND

1. At all times relevant to this Information:
 - a. Defendant MELVIN FELIZ (“FELIZ”) was a resident of New Jersey, and the husband of co-conspirator Keila Ravelo (“Ravelo”).
 - b. Ravelo was a resident of New Jersey and an attorney who practiced law in New York. Defendant FELIZ and Ravelo maintained a joint bank account (the “Joint Bank Account”) in New Jersey.
 - c. “Law Firm 1” was a law firm in New York. Ravelo was a partner at Law Firm 1 from at least on or about July 1, 2005, through approximately October 1, 2010.

d. "Law Firm 2" was a law firm in New York. Defendant Ravelo was a partner at Law Firm 2 from approximately October 1, 2010 through approximately November 14, 2014.

e. "Client 1" was a client of Law Firm 1 during the time period when Ravelo was a partner at Law Firm 1 and was a client of Law Firm 2 during the time period when Ravelo was a partner at Law Firm 2.

f. Defendant FELIZ and Ravelo caused "Vendor 1" to be formed in or about January 2008 as a limited liability company. Vendor 1 purportedly provided millions of dollars in litigation support services to Law Firm 1 and Law Firm 2 for the benefit of Client 1 and received payments of more than \$5,000,000 from Law Firm 1 and Law Firm 2 for these alleged services from in or about March 2008 through in or about October 2013. Law Firm 1 and Law Firm 2, in turn, billed and were reimbursed by Client 1 in connection with these purported services. In reality, however, Vendor 1 provided no services to Law Firm 1 and Law Firm 2 for the benefit of Client 1 or otherwise. Moreover, the vast majority of the money that went into Vendor 1's bank account from Law Firm 1 and Law Firm 2 was either: (i) used directly to pay for defendant FELIZ or Ravelo's personal expenses, or (ii) wire transferred into the Joint Bank Account and then used to pay for the personal expenses or investments of defendant FELIZ and Ravelo.

g. Defendant FELIZ and Ravelo caused "Vendor 2" to be formed in or about April 2011 as a limited liability company. Vendor 2 purportedly

provided services to Law Firm 2 and received payments in excess of \$1,000,000 from Law Firm 2 for these alleged services from in or about July 2011 through in or about July 2014. Law Firm 2, in turn, billed and was reimbursed by Client 1 in connection with these purported services. In reality, however, Vendor 2 provided no services to Law Firm 2 for the benefit of Client 1 or otherwise. Moreover, the vast majority of the money that went into Vendor 2's bank account from Law Firm 2 was either: (i) used directly to pay for defendant FELIZ or Ravelo's personal expenses, or (ii) wire transferred into the Joint Bank Account and then used to pay for the personal expenses or investments of defendant FELIZ and Ravelo.

h. Records obtained for the Joint Bank Account reveal that the majority of the funds transferred into that account from the bank accounts of Vendor 1 and Vendor 2 in the manner described above were used to pay for the personal expenses or investments of defendant FELIZ and Ravelo.

THE CONSPIRACY

2. From at least as early as in or about 2008 through in or about July 2014, in the District of New Jersey and elsewhere, the defendant,

MELVIN FELIZ,

did knowingly and intentionally conspire and agree with Ravelo and others to devise a scheme and artifice to defraud Law Firm 1, Law Firm 2 and Client 1, and to obtain money and property from Law Firm 1, Law Firm 2 and Client 1 by means of materially false and fraudulent pretenses, representations, and

promises, and, for the purpose of executing such scheme and artifice to defraud, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

OBJECT OF THE CONSPIRACY

3. It was the object of the conspiracy for defendant FELIZ and Ravelo to enrich themselves by fraudulently obtaining money from Law Firm 1, Law Firm 2 and Client 1.

MANNER AND MEANS OF THE CONSPIRACY

4. It was part of the conspiracy that defendant FELIZ and Ravelo caused Vendor 1 and Vendor 2 to be formed.

5. It was further part of the conspiracy that defendant FELIZ and Ravelo caused Vendor 1 and Vendor 2 to submit fraudulent invoices to Law Firm 1 and Law Firm 2, which invoices sought payment for work purportedly performed by Vendor 1 and Vendor 2, but which work defendant FELIZ and Ravelo then and there well knew was never performed.

6. It was further part of the conspiracy that Ravelo authorized payment of the fraudulent invoices submitted by Vendor 1 and Vendor 2 on behalf of Law Firm 1 and Law Firm 2.

7. It was further part of the conspiracy that Ravelo's authorizations to pay the fraudulent invoices caused wire transfers of funds from outside of New Jersey to inside of New Jersey, including into the Joint Bank Account.

8. It was further part of the conspiracy that defendant FELIZ and Ravelo used the majority of the funds in the Joint Bank Account for their personal expenses and investments.

9. It was further part of the conspiracy that pursuant to the acts described above, defendant FELIZ and Ravelo stole approximately \$7,800,000 from Law Firm 1, Law Firm 2 and Client 1.

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

COUNT TWO
(Tax Evasion)

1. The allegations set forth in Count One of this Information are realleged and incorporated as though fully set forth in this paragraph.

2. During the calendar year 2012, defendant FELIZ and Ravelo fraudulently obtained approximately \$2,360,000 through the conspiracy described in Count One of this Information.

3. Upon that income, there was owing to the United States an income tax of approximately \$800,000 by defendant FELIZ and Ravelo.

4. On or about November 22, 2013, defendant FELIZ and Ravelo jointly filed and caused a Form 1040, U.S. Individual Income Tax Return (the "2012 Tax Return") to be filed. The 2012 Tax Return did not list the income described in paragraph 2 above.

5. During calendar years 2012 and 2013, defendant FELIZ engaged in numerous affirmative acts to conceal and attempt to conceal the income described in paragraph 2 above in order to evade the assessment of a tax, including using nominees to control Vendor 1 and Vendor 2, causing fraudulent invoices to be submitted by Vendor 1 and Vendor 2 to Law Firm 2 for work that he knew was never performed, causing income to be sent by Law Firm 2 to Vendor 1, using Vendor 1 and Vendor 2's bank accounts to pay for personal expenses, and filing and causing a false tax return to be filed.

6. From in or about January 2012 through on or about November 22, 2013, in the District of New Jersey, and elsewhere, defendant

MELVIN FELIZ

did knowingly and willfully attempt to evade and defeat a substantial part of the income tax due and owing by him to the United States for calendar year 2012 by the affirmative acts of evasion set forth above in paragraph 5.

In violation of Title 26, United States Code, Section 7201.

FORFEITURE ALLEGATION

1. The allegations contained in Count One of this Information are realleged and incorporated by reference as though set forth in full herein for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(2), and Title 28, United States Code, Section 2461.

2. Upon conviction of the offense charged in Count One of this Information, defendant FELIZ shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offense, and all property traceable to such property, including but not limited to a sum of money representing the proceeds of the offense alleged in Count One, to wit, \$7897,143, and all of the defendant's right, title and interest in the following property:

a. the lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 465 Brickell Avenue, Apartment 4001, City of Miami, County of Miami-Dade, Florida;

b. the lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 164 Chestnut Street, Englewood Cliffs, County of Bergen, New Jersey;

c. the lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 1740 Taylor Avenue, City of New York, County of Bronx, New York;

d. the lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 465 Brickell Avenue, Apartment 4002, City of Miami, County of Miami-Dade, Florida; and

e. the lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, known as 5506 Inspiration Terrace, City of Bradenton, County of Manatee, Florida.

f. the 2009 Bentley Continental Flying Spur Sedan with the vehicle identification number SCBBP93W39C061317

3. If by any act or omission of defendant FELIZ any of the property subject to forfeiture herein:

- 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,

the United States shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by 18 U.S.C. §

982(a)(2) and 28 U.S.C. § 2461(c).

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(b)(2), and Title 28, United States Code, Section 2461(c).

A handwritten signature in cursive script, appearing to read "Paul J. Fishman".

PAUL J. FISHMAN
United States Attorney

CASE NUMBER: _____

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

UNITED STATES OF AMERICA

v.

MELVIN FELIZ

INFORMATION FOR

18 U.S.C. § 1349 and
26 U.S.C. § 7201

PAUL J. FISHMAN

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