

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : Hon.
 :
 v. : Crim. No. 20-
 :
 GARY SWENSON : 18 U.S.C. § 1349
 : 18 U.S.C. § 215(a)(1)

INFORMATION

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

COUNT ONE
(Conspiracy to Commit Bank Fraud)

BACKGROUND

1. At all times relevant to this Information:
 - a. Defendant GARY SWENSON (“SWENSON”) was a resident of New Jersey and a senior employee at Starnet Business Solutions, Inc., a New Jersey-based printing company, which also operated under the names Starnet Business Graphix, Inc. and Starnet Graphix, Inc. (“Starnet”).
 - b. Co-conspirator-1 (“CC-1”) and Co-conspirator-2 (“CC-2”) were also senior employees at Starnet.
 - c. “Victim Bank-1” was a financial institution, as defined in Title 18, United States Code, Section 20, whose deposits were insured by the Federal Deposit Insurance Corporation and with headquarters in Charlotte, North Carolina.

d. Co-conspirator-3 (“CC-3”) was a Senior Vice President at Victim Bank-1.

THE CONSPIRACY

2. From in or around 2013 through in or around 2019, in the District of New Jersey and elsewhere, the defendant,

GARY SWENSON,

did knowingly and intentionally conspire and agree with others to execute and attempt to execute, a scheme and artifice to defraud a financial institution, as defined in Title 18, United States Code, Section 20, namely Victim Bank-1, whose deposits were insured by the Federal Deposit Insurance Corporation, and to obtain monies, funds, credits, assets, securities, and other property owned by, and under the custody and control of, that financial institution, by means of materially false and fraudulent pretenses, representations, and promises, contrary to Title 18, United States Code, Section 1344.

GOAL OF THE CONSPIRACY

3. It was the goal of the conspiracy for SWENSON, CC-1, CC-2, and CC-3 to fraudulently obtain millions of dollars’ worth of credit for Starnet from Victim Bank-1 based on materially false representations to Victim Bank-1 about the financial condition of Starnet.

MANNER AND MEANS OF THE CONSPIRACY

4. It was part of the conspiracy that:

a. In or around 2013, CC-3 helped Starnet obtain an approximately \$1.5 million line of credit from Victim Bank-1 (the “Line of Credit”). SWENSON,

CC-1, and CC-2 provided, and caused others to provide, false financial information to Victim Bank-1 in connection with the Line of Credit. Over the next several years, the Line of Credit increased and was approximately \$8 million in 2018.

b. CC-2 sent inflated account receivable information for Starnet to Victim Bank-1 on a monthly basis. SWENSON and CC-1 provided other materially false financial information about Starnet to Victim Bank-1 in connection with the Line of Credit, including a twice-yearly financial report.

c. CC-3 coached Starnet on how to defraud Victim Bank-1. CC-3 reviewed draft financial information for Starnet and provided feedback on how Starnet should falsify the information before submission to Victim Bank-1. CC-3 also worked to prevent Victim Bank-1 from detecting the fraud scheme by helping Starnet avoid audits and other quality control measures employed by Victim Bank-1.

d. SWENSON, CC-1, and CC-2 agreed to pay cash bribes to CC-3 in connection with the scheme. CC-1 hand-delivered bribe payments to CC-3. In total, CC-3 received hundreds of thousands of dollars in bribe payments.

e. As a result of the fraud, Victim Bank-1 allowed Starnet to maintain the Line of Credit and increased the Line of Credit available to Starnet by millions of dollars at various points in time. By in or around 2018, the Line of Credit available to Starnet was worth approximately \$8 million. Repayment of the Line of Credit became due in 2019, and Starnet has not repaid it.

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

COUNT TWO
(Bribery of a Bank Official)

1. The allegations contained in Paragraphs 1, 3 and 4 of Count One of this Information are hereby repeated, realleged, and incorporated as if fully set forth herein.

2. From in or around 2013 through in or around 2019, in the District of New Jersey and elsewhere, the defendant,

GARY SWENSON,

did knowingly and corruptly give, offer, and promise a thing of value exceeding \$1,000 to CC-3, with intent to influence and reward an officer, employee and agent of a financial institution in connection with a business and transaction of such institution.

In violation of Title 18, United States Code, Section 215(a)(1).


CRAIG CARPENITO
United States Attorney

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INFORMATION FOR

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18 U.S.C. § 215(a)(1)**

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