

"UNDER SEAL"

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION**

UNITED STATES of AMERICA

v.

CHRISTOPHER J. PETRELLA,
Defendant.

) DOCKET NO. 3:18-cr-330-RJC
) **BILL OF INDICTMENT**
)
) Vio: 18 U.S.C. § 1512
)
)
)

FILED
CHARLOTTE, NC
OCT 17 2018
US DISTRICT COURT
WESTERN DISTRICT OF NC

THE GRAND JURY CHARGES:

At all times relevant to this Indictment:

Introduction

1. Niyato Industries, Inc. ("Niyato") was a company incorporated in Nevada and registered as an operating entity in Charlotte, North Carolina. Niyato's corporate address was a private mail box in a commercial mail receiving agency at 1235-E East Boulevard, Suite 130, Charlotte, North Carolina.

2. Robert Leslie Stencil ("Stencil") founded Niyato in 2010 and was the registered President and self-designated Chief Executive Officer of Niyato.

3. In or around August 2016, a grand jury sitting in the Western District of North Carolina returned an indictment charging Stencil and others in connection with a high-yield investment fraud scheme involving Niyato. The indictment was superseded in April 2017 and again in October 2017 and was scheduled for trial. The case was captioned United States v. Robert Leslie Stencil, et. al, 3:16-cr-221-MOC (W.D.N.C.).

4. Defendant **CHRISTOPHER J. PETRELLA**, was a United States citizen residing in Greenville County, South Carolina. **PETRELLA**, d/b/a 56th Command, Ltd., was

a lobbyist. **PETRELLA** worked with Stencil to promote Niyato. **PETRELLA** also accepted money from Stencil for lobbying work that **PETRELLA** purportedly did on behalf of Niyato.

COUNT ONE
(OBSTRUCTION OF JUSTICE - 18 U.S.C. SECTION 1512)

5. In or around March 2018, a federal law enforcement agent notified **PETRELLA** that Stencil had been indicted in connection with a high-yield investment fraud scheme involving Niyato and that the matter was scheduled for trial in Charlotte, North Carolina. The federal law enforcement agent further notified **PETRELLA** that the agent was gathering information in anticipation of the upcoming trial and that **PETRELLA** may be called as a witness at trial. The federal law enforcement agent asked whether **PETRELLA** would be willing to meet with federal law enforcement agents and the prosecutors for an interview. **PETRELLA** agreed. The interview was scheduled for April 10, 2018 in Greenville, South Carolina.

6. On or about April 10, 2018, **PETRELLA** arrived at the location of the interview with a binder of materials related to Niyato.

7. In an attempt to corruptly obstruct, influence and impede the proceedings in United States v. Robert Leslie Stencil, et. al, and any subsequent Grand Jury investigation, by misleading federal law enforcement about his own involvement with Niyato, **PETRELLA** produced to a federal law enforcement agent a bogus “quarterly report” purportedly related to his lobbying work for Niyato. **PETRELLA** falsely claimed he had filed the “quarterly report” with the United States Congress pursuant to certain requirements applicable to federal lobbyists, such as himself.

8. The bogus “quarterly report” that **PETRELLA** produced to the federal law enforcement agent purportedly disclosed to authorities that Stencil had made false and

misleading statements about Niyato's business and operations on Niyato's Twitter and Facebook pages. Specifically, the document stated:

Client is in violation of section 8 of their agreement dated October 19, 2011. Whereas: Client has been posting 'Tweets' which are misleading or fictitious. As example on November 15th Niyato [sic] Tweeted and posted to Facebook, the following: 'Niyato has invested millions of dollars in engineering costs to convert the gasoline vehicle platform into one for an all-electric car. Niyato is not a home-based garage, converting one car at a time, the company operates on a large scale and will initially convert 2,700 vehicles a year, starting in 2012.' 56th Command has no proof of 'millions' of dollars in engineering cost' invested by Niyato [sic]. Tweets are public record and admissible as part of a due diligence package and such statements may be a violation of state and federal law.

9. On or about April 11, 2018, **PETRELLA** produced to federal law enforcement, via the Internet, several additional copies of the bogus "quarterly report," among other information.

10. On or about October 4, 2018, a federal law enforcement agent conducted a follow-up interview of **PETRELLA** by telephone. The federal law enforcement notified **PETRELLA** that a follow-up investigation was being conducted about the information that **PETRELLA** had previously provided to federal investigators, including the bogus "quarterly report."

11. In an attempt to corruptly obstruct, influence and impede the proceedings in United States v. Robert Leslie Stencil, et. al, and the ongoing Grand Jury investigation, by misleading federal law enforcement about his own involvement with Niyato, **PETRELLA** repeated his false claim that he had filed the bogus "quarterly report" with the United States Congress pursuant to certain requirements applicable to federal lobbyists.

12. The “quarterly report” **PETRELLA** produced to federal law enforcement was a sham and **PETRELLA**’s statement that he had filed the document with the United States Congress was false.

13. Although **PETRELLA** claimed that, on or around November 15, 2011, he became aware of false and misleading statements made by Stencil about Niyato’s business and operations and immediately notified the United States Congress, **PETRELLA** continued to do business with Stencil, including drafting at least one press release that contained the same false and misleading information about which **PETRELLA** claimed he had notified the United States Congress.

14. For example, on or around January 4, 2012, **PETRELLA** sent Stencil an email with the subject line “press release”. In the email, **PETRELLA** told Stencil to “Run this, this week.. [sic] Niyato Industries announces Fthe [sic] first National Fleet Leasing Purchase Program”. The body of the proposed press release read: “Small to medium business wishing to lease or purchase a 2012 Niyato Plug in Electric Car are urges [sic] to contact sales@niyato.com as soon as possible. Niyato will be producing 2,700 Plug In Electric Cars for fleet use in 2012. Orders for the 2012-13 model year have to be placed no later than May 1, 2012. For \$37,500 a fleet customer can have a 100% fully electric sedan with a 200 mile range.”

15. **PETRELLA** also attempted to acquire a substantial ownership interest in Niyato, which would have made him co-owner with Stencil. On or about January 6, 2012, **PETRELLA** sent an email to Stencil attaching a signed and executed “Contribution Agreement”, in which **PETRELLA** and Stencil each purported to contribute something of value in exchange for an equal ownership interest in Niyato.

16. **PETRELLA** also asked Stencil to help **PETRELLA** raise money for **PETRELLA**'s campaign for the Republican nomination to represent North Carolina's 11th District in the U.S. House of Representatives. On or about February 7, 2012, **PETRELLA** sent an email to Stencil with the subject line "finance committee". In his email, **PETRELLA** wrote "Can you convince Gordon to raise some money for the campaign in the Virgin Islands? He did donate \$2500 to the cause. We need to raise at least \$50-70K. You would get paid 15% off the top. I also need you to contact all these people that you are doing business with to raise some of this \$70K." When a federal law enforcement agent showed **PETRELLA** this email during the April 10, 2018 interview, **PETRELLA** confirmed that **PETRELLA** had asked Stencil to help **PETRELLA** raise money for **PETRELLA**'s campaign.

17. On February 12, 2012, **PETRELLA** wrote an email to Stencil with the subject line "mr finance director". In his email, **PETRELLA** wrote "I seriously, seriously need to have \$7500 in the bank this week for the Campaign. That is on top of the \$2500 Gordon put in. I am going to work my contacts. Don't forget you get some cash from this too."

The Charge

18. On or about the 10th day of April, 2018, and again on or about the 4th day of October 2018, in the Western District of North Carolina and elsewhere, the defendant, **CHRISTOPHER J. PETRELLA**, corruptly attempted to, and did obstruct, influence, and impede, an official proceeding, namely the proceeding in United States v. Robert Leslie Stencil, et. al, pending in the Western District of North Carolina, and any federal Grand Jury investigation in the Western District of North Carolina involving the defendant,

CHRISTOPHER J. PETRELLA, by producing a bogus “quarterly report” and falsely stating that the document had been filed with the United States Congress.

All in violation of Title 18, United States Code, Sections 1512(c)(2).

A TRUE BILL



GRAND JURY FOREPERSON

R. ANDREW MURRAY,
UNITED STATES ATTORNEY

SANDRA MOSER
ACTING CHIEF
FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE

A handwritten signature in cursive script that reads "William H. Bowne".

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