

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - x

UNITED STATES OF AMERICA :
 : INFORMATION
 - v. - :
 : 16 Cr. ____ (RA)
NORMAN D'SOUZA, :
 :
 Defendant. :
 :
 - - - - - x

COUNT ONE
(Conspiracy to Commit Bank Fraud)

The United States Attorney charges:

1. At all times relevant to this Information, NORMAN D'SOUZA, the defendant, was vice president of finance of a New Jersey-based furniture wholesaler and retailer ("Company-1"). From in or about 2012 until in or about September 2014, D'SOUZA was also chief financial officer of Company-1. At all relevant times, D'SOUZA was responsible for, among other things, Company-1's finances and accounting, including but not limited to preparing financial statements for Company-1 and accounting for Company-1's sales and accounts receivable.

2. At all times relevant to this Information, Company-1, through NORMAN D'SOUZA, the defendant, and others, fraudulently induced a bank with its principal U.S. location in New York, New York (the "Bank") into lending Company-1 millions of dollars by

repeatedly making, and causing to be made, materially false and misleading statements about Company-1's financial condition.

3. NORMAN D'SOUZA, the defendant, falsely inflated Company-1's sales and accounts receivable on "borrowing base certificates" and in financial statements prepared by D'SOUZA that were provided to the Bank pursuant to loan agreements between the Bank and Company-1. The loans were secured by, among other things, Company-1's accounts receivable. As a part of the scheme, as D'SOUZA well knew, Company-1 falsified invoices to create the false appearance that Company-1's accounts receivable figures were higher than they were actually were.

4. NORMAN D'SOUZA, the defendant, used those falsely inflated sales and accounts receivable to mislead the Bank about Company-1's true financial performance so that Company-1 could secure and draw down millions of dollars in loans pursuant to a \$17 million revolving credit facility from the Bank that Company-1 would not otherwise have been entitled to receive.

5. In truth and in fact, at the time that NORMAN D'SOUZA, the defendant, issued and disseminated those "borrowing base certificates" and financial statements, D'SOUZA knew that they falsely overstated Company-1's sales and accounts receivable and understood that the Bank would rely upon them in loaning money to Company-1.

6. In or about September 2014, Company-1 went into bankruptcy and defaulted on the loans issued by the Bank. At that time, the outstanding principal balance on the loans issued by the Bank was approximately \$16,990,000.

STATUTORY ALLEGATIONS

7. From at least in or about 2011, up to and including in or about September 2014, in the Southern District of New York and elsewhere, NORMAN D'SOUZA, the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit bank fraud in violation of Title 18, United States Code, Section 1344, to wit, D'SOUZA participated in a scheme to defraud the Bank by making, and willfully causing to be made, materially false and misleading statements about the financial condition of Company-1 in order for Company-1 to fraudulently obtain financing from the Bank.

8. It was a part and an object of the conspiracy that NORMAN D'SOUZA, the defendant, and others known and unknown, knowingly would and did execute a scheme and artifice to defraud a financial institution, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institution, by means of false and fraudulent pretenses,

representations, and promises, in violation of Title 18, United States Code, Section 1344.

(Title 18, United States Code, Section 1349.)

COUNT TWO

(Conspiracy to Commit Wire Fraud)

The United States Attorney further charges:

9. The allegations contained in paragraphs 1 through 6 above are hereby repeated, realleged, and incorporated by reference as though fully set forth herein.

10. At all relevant times, NORMAN D'SOUZA, the defendant, was employed by and functioned as chief financial officer of an Indiana-based furniture manufacturer affiliated with Company-1 ("Company-2"). D'SOUZA was responsible for, among other things, Company-2's finances and accounting, including but not limited to preparing financial statements for Company-2 and accounting for Company-2's sales and accounts receivable.

11. In or about early 2012, Gas City, Indiana (the "City") offered loans and other financial incentives to Company-2 in return for Company-2's agreement to operate a furniture factory in the City and employ local residents.

12. NORMAN D'SOUZA, the defendant, falsely inflated, among other things, Company-2's sales figures in financial statements prepared by D'SOUZA that were provided to the City pursuant to

loan agreements between the City and Company-2. The loans were secured by, among other things, Company-2's accounts receivable.

13. NORMAN D'SOUZA, the defendant, used those falsely inflated sales and accounts receivable to mislead the City about Company-2's true financial performance so that Company-2 could secure and draw down more than \$1 million in loans from the City that Company-2 would not otherwise have been entitled to receive. As a part of the scheme, D'SOUZA caused the City to wire funds to a bank account at the Bank in New York, New York, among other places.

14. In truth and in fact, at the time that NORMAN D'SOUZA, the defendant, caused those financial statements to be issued and disseminated to the City, D'SOUZA knew that they falsely overstated Company-2's sales and accounts receivable and understood that the City would rely upon them in loaning money to Company-2.

15. In or about September 2014, Company-2 went into bankruptcy and defaulted on the loans issued by the City. At that time, the outstanding principal balance on the loans issued by the City was approximately \$1,000,000.

STATUTORY ALLEGATIONS

16. From at least in or about 2012, up to and including in or about September 2014, NORMAN D'SOUZA, the defendant, and others known and unknown, willfully and knowingly did combine,

conspire, confederate, and agree together and with each other to commit wire fraud, in violation of Title 18, United States Code, Section 1343, to wit, D'SOUZA participated in a scheme to defraud the City by making, and willfully causing to be made, materially false and misleading statements about the financial condition of Company-2 in order for Company-2 to fraudulently obtain financing from the City.

17. It was a part and object of the conspiracy that NORMAN D'SOUZA, the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

(Title 18, United States Code, Section 1349.)

FORFEITURE ALLEGATIONS

18. As the result of committing the bank fraud offense charged in Count One of this Information, NORMAN D'SOUZA, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2)(A), any property constituting, or derived from, proceeds the defendant obtained

directly or indirectly, as a result of the offense charged in Count One, including but not limited to at least approximately \$17,000,000 in United States currency representing the amount of proceeds obtained as a result of the offense charged in Count One of this Information.

19. As the result of committing the wire fraud offense charged in Count Two of this Information, NORMAN D'SOUZA, the defendant, 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 charged in Count Two, including but not limited to at least approximately \$1,000,000 in United States currency representing the amount of proceeds obtained as a result of the offense charged in Count Two of this Information.

Substitute Asset Provision

20. If any of the above-described forfeitable property, as a result of any act or omission of NORMAN D'SOUZA, the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

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 21, United States Code, Section 853(p), to seek forfeiture of any other property of NORMAN D'SOUZA, the defendant, up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981; Title 28, United States Code, Section 2461; and Title 21, United States Code, Section 853(p).)



PREET BHARARA

United States Attorney /pk

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

NORMAN D' SOUZA,

Defendant.

INFORMATION

16 Cr. ____

(18 U.S.C. § 1349.)

PREET BHARARA
United States Attorney.
