UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA - v. - HERODE CHANCY, MICHAEL ALBARELLA, and ADEDAYO ILORI, Defendants.	**INDICTMENT** 20 Cr. 20 CRIM 378

COUNT ONE

(Conspiracy to Commit Mail and Wire Fraud)

The Grand Jury charges:

1. From at least in or about March 2019 through in or about March 2020, in the Southern District of New York and elsewhere, HERODE CHANCY and ADEDAYO ILORI, the defendants, 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, and mail fraud, in violation of Title 18, United States Code, Section 1341.

2. It was a part and object of the conspiracy that HERODE CHANCY and ADEDAYO ILORI, the defendants, 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, to wit, CHANCY and ILORI agreed together and with others to engage in a scheme in which they would and did submit fraudulent business loan applications with the intent not to repay the loans (the "Loan Scheme"), and in connection therewith and in furtherance thereof, would and did transmit and cause to be transmitted interstate electronic mail, in order to execute the Loan Scheme and obtain proceeds therefrom.

3. It was further a part and object of the conspiracy that HERODE CHANCY and ADEDAYO ILORI, the defendants, 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, for the purpose of executing such scheme and artifice and attempting so to do, would and did place in a post office and authorized depository for mail matter, a matter and thing to be sent and delivered by the Postal Service, and deposit and cause to be deposited a matter and thing to be sent and delivered by private

and commercial interstate carrier, and take and receive therefrom, a matter and thing, and knowingly cause to be delivered by mail and such carrier according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it was addressed, such matter and thing, in violation of Title 18, United States Code, Section 1341, to wit CHANCY and ILORI agreed together and with others to engage in the Loan Scheme, and in connection therewith and in furtherance thereof, would and did transmit and cause to be transmitted, by means of the mails and private and commercial interstate carriers, documents related to the Loan Scheme, in order to execute the Loan Scheme and obtain proceeds therefrom.

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

COUNT TWO

(Wire Fraud)

The Grand Jury further charges:

4. From at least in or about March 2019 through in or about March 2020, in the Southern District of New York and elsewhere, HERODE CHANCY and ADEDAYO ILORI, the defendants, 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, transmitted and caused 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, to wit, CHANCY and ILORI engaged in the Loan Scheme, and in connection therewith and in furtherance thereof, transmitted and caused to be transmitted interstate electronic mail, in order to execute the Loan Scheme and obtain proceeds therefrom.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT THREE

(Mail Fraud)

The Grand Jury further charges:

5. From at least in or about March 2019 through in or about March 2020, in the Southern District of New York and elsewhere, HERODE CHANCY and ADEDAYO ILORI, the defendants, 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, for the purpose of executing such scheme and artifice and attempting so to do, placed in a post office and authorized depository for mail matter, a matter and thing to be sent and delivered by the Postal Service, and deposited and caused to be deposited a matter and thing to be sent and delivered by a private and commercial interstate carrier, and took and received therefrom, a matter and thing,

and knowingly caused to be delivered by mail and such carrier according to the direction thereon, and at the place at which it was directed to be delivered by the person to whom it was addressed, a matter and thing, to wit, CHANCY and ILORI engaged in the Loan Scheme, and in connection therewith and in furtherance thereof, transmitted and caused to be transmitted, by means of the mails and private and commercial interstate carriers, documents related to the Loan Scheme, in order to execute the Loan Scheme and obtain proceeds therefrom.

(Title 18, United States Code, Sections 1341 and 2.)

COUNT FOUR

(Aggravated Identity Theft)

The Grand Jury further charges:

6. From at least in or about December 2019 through in or about March 2020, in the Southern District of New York and elsewhere, HERODE CHANCY and ADEDAYO ILORI, the defendants, knowingly transferred, possessed, and used, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, in connection with the conspiracy, wire fraud, and mail fraud offenses alleged in Counts One through Three of this Indictment, respectively, CHANCY and ILORI used and aided and abetted the use of the names, dates of birth, and social security numbers of other

persons when submitting, and causing the submission of, fraudulent loan applications made in furtherance of the Loan Scheme.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(c)(5), and 2.)

Count Five

(Conspiracy to Commit Money Laundering)

The Grand Jury further charges:

7. From at least in or about February 2020 through in or about March 2020, in the Southern District of New York and elsewhere, HERODE CHANCY, MICHAEL ALBARELLA, and ADEDAYO ILORI, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit money laundering, in violation of Title 18, United States Code, Section 1956(a)(3)(B).

8. It was a part and an object of the conspiracy that HERODE CHANCY, MICHAEL ALBARELLA, and ADEDAYO ILORI, the defendants, and others known and unknown, with the intent to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, would and did conduct and attempt to conduct a financial transaction involving property represented to be the proceeds of specified unlawful activity, to wit, CHANCY, ALBARELLA, and ILORI agreed to launder, through a bank account

opened using a stolen identity, the purported proceeds of fraudulent business loans obtained in violation of Title 18, United States Code, Sections 1343 and 1341, as charged in Counts Two and Three of this Indictment, respectively, in violation of Title 18, United States Code, Section 1956(a)(3)(B).

(Title 18, United States Code, Section 1956(h).)

COUNT SIX

(Bank Bribery - Solicitation and Acceptance)

The Grand Jury further charges:

9. In or about February 2020, in the Southern District of New York and elsewhere, MICHAEL ALBARELLA, the defendant, being an officer, director, employee, and agent of a financial institution, knowingly and corruptly solicited and demanded for the benefit of a person, and corruptly accepted and agreed to accept, things of value exceeding $1,000 from a person, intending to be influenced and rewarded in connection with a business and transaction of such institution, to wit, ALBARELLA, while acting as a manager of a financial institution located in New York, New York ("Bank-1"), and insured by the Federal Deposit Insurance Corporation, solicited and accepted a bribe payment in connection with the opening of a bank account at Bank-1 using a stolen identity in furtherance of laundering the proceeds of the Loan Scheme.

(Title 18, United States Code, Sections 215(a)(2) and 2.)

FORFEITURE ALLEGATIONS

10. As a result of committing the offenses alleged in Counts One through Three of this Indictment, HERODE CHANCY and ADEDAYO ILORI, the defendants, 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), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

11. As a result of committing the offense alleged in Count Five of this Indictment, HERODE CHANCY, MICHAEL ALBARELLA, and ADEDAYO ILORI, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

12. As a result of committing the offense alleged in Count SIX of this Indictment, MICHAEL ALBARELLA, the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2)(A), any and all property, real

and personal, that constitutes or is derived from proceeds traceable to the commission of said offense, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

Substitute Asset Provision

13. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

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) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Sections 981, 982;
Title 21, United States Code, Section 853; and
Title 28, United States Code, Section 2461.)

FOREPERSON

Audrey Strauss

AUDREY STRAUSS
Acting United States Attorney

Form No. USA-33s-274 (Ed. 9-25-58)

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UNITED STATES OF AMERICA

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INDICTMENT

20 Cr.

(18 U.S.C. §§ 215, 1028A, 1341, 1343, 1349, 1956, and 2.)

AUDREY STRAUSS
Acting United States Attorney

Foreperson
