

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

SEALED

UNITED STATES OF AMERICA)
v.) Criminal No. 18 cr 10364
JASIEL F. CORREIA, II,)
Defendant)
) Violations:
)
) Counts One - Nine: Wire Fraud
) (18 U.S.C. § 1343)
)
) Counts Ten - Thirteen: False Tax Returns
) (26 U.S.C. § 7206 (1))
)
) Forfeiture Allegation:
) 18 U.S.C. § 981(a)(1)(C);
) 28 U.S.C. § 2461(c)

INDICTMENT

General Allegations

At all times relevant to this Indictment:

1. SnoOwl was a company conceived and founded by JASIEL F. CORREIA, II (“CORREIA”) in late 2012 to develop an “app” designed to connect local businesses with their target consumer market. SnoOwl was incorporated in Delaware in December 2014.

2. CORREIA, 26, is the mayor of Fall River, Massachusetts. CORREIA was first elected in November 2015, and was re-elected by a wide margin to a second two-year term in November 2017. Prior to his election as mayor, CORREIA was a one-term Fall River City Councilor between 2014 and 2016.

3. In or about January 2013, CORREIA began seeking investors who were willing to provide investment money for SnoOwl in return for equity in the company. To induce their investments, CORREIA represented to the SnoOwl investors that: (i) he was a successful tech entrepreneur who previously sold another app, FindIt Networks, for a large profit; (ii) their

investment funds would be used for expenses related to the development of the app; (iii) he would not take a salary or otherwise draw compensation from SnoOwl; and (iv) he would use his best efforts to ensure the success of SnoOwl. As a result, seven individuals invested in SnoOwl.

Overview of the Scheme to Defraud and False Tax Returns

4. Starting in approximately January 2013, and continuing until at least in or about May 2017, CORREIA perpetrated a scheme to defraud the SnoOwl investors by making false representations and diverting a significant portion of the investors' funds to himself, while neglecting the development of the company to focus on his political career. Of the approximately \$363,690 CORREIA received from the seven individual SnoOwl investors, CORREIA used at least \$231,447, approximately 64% of all money invested, to fund his own lavish lifestyle, burgeoning political career, and the needs of his other business ventures.

5. In February 2015, CORREIA filed false 2013 and 2014 tax returns by failing to report the diverted SnoOwl investor funds, as well as other income he received in those years. In fact, CORREIA omitted any mention of SnoOwl in his 2013 and 2014 personal tax returns.

6. Then, in May 2017, after learning that he and SnoOwl were the targets of a federal investigation, CORREIA filed false 2013 and 2014 amended tax returns in which he substantially understated his actual income, and claimed false Schedule C business losses.

Scheme to Defraud

7. From in or about January 2013, to in or about May 2017, CORREIA devised and intended to devise a scheme to defraud the SnoOwl investors, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

It was part of the scheme that:

Founding of SnoOwl and Opening of Citizen's Account

8. In or about November 2012, CORREIA applied for and received an Employer Identification Number ("EIN") from the Internal Revenue Service ("IRS") for SnoOwl. When the IRS provided the EIN, it notified CORREIA that SnoOwl was required to file a Form 1065 Partnership Return by April 15, 2013.

9. In or about December 2012, CORREIA and two other individuals, Associate #1 and Associate #2, agreed to formally start SnoOwl. Shortly thereafter, in January 2013, CORREIA, Associate #1, and Associate #2, opened a SnoOwl bank account at Citizen's Bank in Rhode Island ("Citizen's Account").

10. Associate #1's primary role for SnoOwl was to provide business and strategic advice. In conversations about SnoOwl in early 2013, CORREIA told Associate #1 that compensation for either CORREIA or Associate #1 was "off the table," and that SnoOwl would not be providing salaries or hourly pay for employees. Associate #1 never received any compensation from SnoOwl, nor did CORREIA ever tell Associate #1 that CORREIA intended to take investor money for himself.

11. Associate #2 had a background in software development. In or about November 2012, while discussing his vision for SnoOwl, CORREIA falsely told Associate #2 that he had previously created and sold an app for several hundred thousand dollars. Shortly thereafter, Associate #2 agreed to work on SnoOwl in return for equity in the company, which he understood he would split with CORREIA and Associate #1. Associate #2 never received a salary or compensation from SnoOwl, nor did CORREIA ever tell Associate #2 that CORREIA intended to take investor money for himself.

12. In approximately Spring 2014, CORREIA initiated conversations with Associate #3, a lawyer by training, about joining SnoOwl. Associate #3 told CORREIA that he would not join the company unless and until it had incorporated. In approximately December 2014, SnoOwl was incorporated in Delaware, and Associate #3 joined the company in return for what CORREIA told him was 15% of founder stock. At the time Associate #3 joined SnoOwl, CORREIA told Associate #3 that CORREIA was not taking any salary or compensation from SnoOwl, and also confirmed that Associate #3 would not receive a salary.

13. CORREIA never gave Associate #1, Associate #2, and Associate #3 access to bank statements or online banking for the Citizen's Account, nor did CORREIA ever give them check-signing authority or a debit card for the Citizen's Account.

SnoOwl Investors

14. Investor #1 was an orthodontist in Massachusetts who had known CORREIA (through Investor #1's son) since CORREIA was in high school. Between 2013 and 2015, Investor #1 invested \$145,000 in what Investor #1 believed was the development and promotion of SnoOwl.

15. In a January 2013 meeting, CORREIA asked Investor #1 to invest \$50,000 in SnoOwl. To induce Investor #1, CORREIA falsely told him that CORREIA had founded and sold a previous internet technology company. CORREIA also falsely told Investor #1 that the \$50,000 investment would be used for business purposes. At no point prior to Investor #1's investment in SnoOwl, did CORREIA tell Investor #1 that CORREIA intended to use investor money for himself. Investor #1 relied on CORREIA's representations, and would not have invested in SnoOwl had CORREIA disclosed that he intended to use investor money for himself.

16. On or about January 16, 2013, Investor #1 gave CORREIA a \$50,000 check in return for 5.00% equity in SnoOwl, which was memorialized in a January 16, 2013 Investment Agreement (“1/16/2013 Agreement”). According to the 1/16/2013 Agreement, SnoOwl agreed: (i) not to “sell, [or] transfer … a business asset… without the Investor’s consent;” and (ii) to “take reasonable action to protect the integrity of the company and the investment.”

17. Also on or about January 16, 2013, CORREIA deposited Investor #1’s \$50,000 check into the Citizen’s Account. Just over a month later, on or about February 22, 2013, CORREIA bought himself a 2011 Mercedes C300 AWD Sport Sedan. As part of the purchase, he used \$10,000 of Investor #1’s money, which he withdrew directly from the Citizen’s Account.

18. In April 2013, CORREIA told Investor #1 that he was having trouble with his software developers and needed an additional \$15,000. CORREIA did not tell Investor #1 that he had used \$10,000 of Investor #1’s money to buy himself a Mercedes, nor did CORREIA tell Investor #1 that CORREIA intended to use Investor #1’s additional investment money for himself. Based on CORREIA’s representations, in April 2013, Investor #1 gave CORREIA another \$15,000 check, which CORREIA deposited into the Citizen’s Account.

19. Between April 2013 and April 2014, Investor #1 and CORREIA communicated regularly about the progress of the app. During this time, CORREIA repeatedly told Investor #1 that the app was doing well. At no point did CORREIA seek Investor #1’s permission to use Investor #1’s investment money for himself. At all times during this period, Investor #1 believed that the \$65,000 that he had invested was used for legitimate business purposes.

20. In or about May 2014, CORREIA told Investor #1 that SnoOwl was “in a lot of trouble,” as one of the other potential investors had not come through, and that CORREIA immediately needed additional funds to complete the app. CORREIA did not tell Investor #1 that

he had taken a large portion of Investor #1's money for himself. Based on CORREIA's representations, on or about May 2, 2014, Investor #1 gave CORREIA a third check, payable to SnoOwl for \$6,000, which CORREIA deposited into the Citizen's Account at a branch in Massachusetts. The processing of this check involved interstate wire communications.

21. On or about May 30, 2014, as Investor #1 was preparing to provide CORREIA with an additional \$4,500 investment in SnoOwl (for what Investor #1 believed were software development costs), CORREIA asked Investor #1 to include two payees on the investment check, "SnoOwl" and "Jasiel Correia." When Investor #1 asked CORREIA why, CORREIA falsely stated that the office had two business accounts and that he needed to put the money in one account or the other. Investor #1 believed CORREIA, and agreed to include two payees on this and future investment checks.

22. Between on or about May 30, 2014, and on or about August 17, 2015, Investor #1 wrote 16 additional checks, totaling approximately \$74,000, 15 of which were payable to CORREIA or SnoOwl. In many of these instances, CORREIA wrote his own name in as a payee on the checks after Investor #1 had written "SnoOwl." CORREIA repeatedly, and falsely, told Investor #1 that CORREIA needed his own name as a payee because CORREIA had several business accounts. Investor #1 relied on CORREIA's representations.

23. With respect to the 16 additional checks (totaling \$74,000) from Investor #1, payable to both SnoOwl and CORREIA, instead of depositing these checks, CORREIA cashed most of the checks (12 of the 16) and only deposited a portion of this cash into the Citizen's Account, keeping approximately \$30,000 of the remaining cash for himself. CORREIA never told Investor #1 that he took large sums of cash from Investor #1's investment checks. On or about May 5, 2015, CORREIA deposited two of the four checks that he did not cash from Investor #1,

both of which were payable to SnoOwl and CORREIA (totaling \$9,500), into the Citizen's Account at a branch in Massachusetts. The processing of these checks involved interstate wire communications.

24. Investor #2 was a small business owner in Rhode Island who met CORREIA in the Summer of 2013 after a Fall River Chamber of Commerce event while CORREIA was running for City Council. When they met, CORREIA falsely told Investor #2 that CORREIA and a roommate developed an app that they later sold for several hundred thousand dollars. This subsequently led to a conversation about SnoOwl and the fact that CORREIA was looking for additional investors.

25. Approximately one or two weeks later, CORREIA went to Investor #2's office to discuss a potential investment by Investor #2. At this meeting, CORREIA explicitly told Investor #2 that he was not taking, and would not take, any salary or compensation in connection with his work for SnoOwl. In addition, to induce this investment, CORREIA showed Investor #2 SnoOwl's August 2013 business plan, which made no mention of any compensation for CORREIA, and referred to SnoOwl's operations and costs as "inexpensive" and "negligible."

26. Investor #2 eventually agreed to invest \$50,000 in SnoOwl in return for 5.00% equity in the company. CORREIA memorialized that equity in an Investment Agreement comparable to the 1/16/2013 Agreement referred to above in paragraph 16. Shortly after accepting Investor #2's \$50,000 check, CORREIA used approximately half of the money, \$23,000, to pay off personal loans, make payments to his personal credit cards, pay for personal travel with his then girlfriend, and make a personal charitable donation.

27. After making his initial \$50,000 investment, Investor #2 contacted CORREIA approximately every four to six weeks for updates on SnoOwl. CORREIA routinely told Investor

#2 that the development of the app was going well. In approximately January 2015, CORREIA asked Investor #2 if he wanted to invest additional money in SnoOwl “before the valuation of the company increased.” Investor #2 agreed, and gave CORREIA a \$20,000 check, dated January 14, 2015. CORREIA deposited this check into the Citizen’s Account at a branch in Massachusetts. The processing of the check involved interstate wire communications.

28. In return for Investor #2’s additional January 2015 investment, CORREIA gave Investor #2 a “Convertible Promissory Note.” According to the note, Investor #2 was entitled to interest at a rate of six percent per year, and the principal and interest were due and payable on demand by the investor at any time after January 1, 2016. Directly above CORREIA’s signature on the Note, SnoOwl represented that it “intend[ed] to use the principal of [the Note] primarily for the operations of its business, and not for any personal, family or household purpose.”

29. Subsequent to his January 2015 investment, Investor #2 continued to contact CORREIA periodically regarding the progress of the app. During those calls throughout 2015, CORREIA gave Investor #2 uniformly positive status reports on the app and assured Investor #2 that CORREIA was working diligently to ensure the success of the app.

30. Investor #3 was a small business owner living in Florida and Massachusetts; Investor #4 was a small business owner living in southeastern Massachusetts. At a meeting in approximately November 2014, CORREIA falsely told Investors #3 and #4 that, when he was in college, he had developed, packaged, and sold an app to a venture capital group in Cambridge, who eventually sold it to Facebook.

31. At this meeting, CORREIA also informed Investors #3 and #4 that he was seeking additional investors to complete the SnoOwl app, and that he was selling 5.00% equity stakes for \$50,000. CORREIA never told Investors #3 and #4 that he planned to take a salary or otherwise

use a significant portion of their investment money for himself. Investors #3 and #4 relied on CORREIA's representations, and would not have invested in SnoOwl had they known CORREIA was not telling the truth about selling a prior company and the fact that he planned to use their investment money for himself.

32. On or about November 5, 2014, CORREIA emailed Investors #3 and #4 a November 2014 version of SnoOwl's business plan. This email involved interstate wire communications. Like the August 2013 business plan, the November 2014 business plan did not list any compensation for CORREIA, and referred to the costs of running SnoOwl as "negligible."

33. Investors #3 and #4 each agreed to invest \$25,000 in return for 3.50% equity in SnoOwl. On or about November 8, 2014, CORREIA emailed Investors #3 and #4 confirming their joint 7.00% equity stake in SnoOwl and requesting a timetable for receipt of their investment money. This email involved interstate wire communications.

34. On or about November 9, 2014, Investors #3 and #4 each wrote a \$25,000 check to SnoOwl, both of which CORREIA deposited into the Citizen's Account. The processing of these checks involved interstate wire communications.

35. On or about November 18, 2014, CORREIA emailed Investors #3 and #4 with signed copies of their Investment Agreements, which were substantially similar to the above-described 1/16/2013 Agreement. This email involved interstate wire communications.

36. Subsequent to their November 2014 investments in SnoOwl, Investors #3 and #4 contacted CORREIA regularly throughout 2015 seeking updates on the app. Through in or about June 2015, based on representations made by CORREIA, Investors #3 and #4 believed that CORREIA was working diligently to ensure SnoOwl's success and that the app was progressing.

CORREIA's Theft of Investor Money

37. As described above, within weeks of receiving his first investor money in January 2013, CORREIA bought himself a Mercedes. Then, between February 2013 and July 2015, CORREIA systemically looted the Citizen's Account of investor funds, most often by using the account's debit card as his own personal credit card. Indeed, between 2013 and 2015, CORREIA stole at least \$231,447 of investor money, approximately 64% of all money invested.

38. CORREIA used SnoOwl investor money as follows:

- a. CORREIA purchased tens of thousands of dollars of luxury items, including the Mercedes, jewelry, and designer men's and women's clothing and shoes;
- b. CORREIA spent lavishly on extensive personal travel and entertainment, including tens of thousands of dollars on airfare, luxury hotels, restaurants, casinos, and adult entertainment;
- c. CORREIA used approximately \$10,000 of investor money to pay down his personal student loan and to fund his own political campaigns; and
- d. CORREIA used investor money to make charitable donations in his own name, having nothing to do with SnoOwl, and to fund his other business ventures.

39. The Citizen's Account records do not contain any regular salary payments to CORREIA, nor do they contain any regular "draws" by, or distributions to CORREIA. Instead, the records show that CORREIA took investor money directly out of the Citizen's Account whenever he needed it, racking up thousands of charges while the account was active. CORREIA also set up recurring payment schedules for, among other things, his student loan, car payments, and dating services, so that investor money was automatically debited for those personal purposes. In approximately October 2016, the Citizen's Account, which incurred thousands of dollars of overdraft fees, was closed with a negative balance. To date, no SnoOwl investor has received any return or interest on his investment, and the business of SnoOwl is essentially worthless.

CORREIA's Concealment of the Fraud

40. CORREIA concealed his theft of investor money in several ways. He concealed it from Associates #1, #2, and #3 by denying them access to the Citizen's Account and other financial records, and by not telling them that he was using investor funds for himself. CORREIA concealed his theft of investor money from his then-girlfriend, on whom he spent tens of thousands of dollars, by falsely stating that the money CORREIA was spending on her came from his sale of FindIt Networks for "several hundred thousand dollars." CORREIA concealed his theft of investor funds from the SnoOwl Investors, including Investors #1, #2, #3, and #4, by providing falsely positive updates on SnoOwl's status, and, as described more fully below, refusing to provide the company's financial records, which would have revealed his extensive personal use of investor funds.

41. CORREIA also concealed his ill-gotten gains from the IRS. In February 2015, when CORREIA filed his 2013 and 2014 individual income tax returns, CORREIA completely concealed the existence of SnoOwl (and his other businesses) from the IRS. Moreover, CORREIA intentionally failed to provide the tax preparation service that prepared his 2013 and 2014 returns with *any* SnoOwl records, including the Citizen's Account records, and affirmatively represented to the tax preparation service that he had no business or partnership income in 2013 or 2014. As a result, CORREIA's 2013 and 2014 individual income tax returns substantially understated his income for those years.

CORREIA Decides to Run for Mayor and Neglects SnoOwl

42. Despite repeatedly assuring his investors that he would use his best efforts to ensure SnoOwl's success, CORREIA was not only diverting investor funds to himself, he was actively neglecting SnoOwl (and concealing that fact from investors), by failing to do even the most basic tasks to keep the company viable. For example, CORREIA stopped paying the Company's

software developer, stopped paying the company that hosted SnoOwl's server, and failed to pay the nominal legal fees necessary to protect SnoOwl's intellectual property, despite repeated warnings from others that he needed to do so.

43. In or about the Spring/Summer of 2015, as SnoOwl foundered, CORREIA announced his decision to run for mayor of Fall River. Notwithstanding the fact that he had fraudulently taken hundreds of thousands of dollars of investor money, CORREIA touted his stewardship of SnoOwl to Fall River voters as one of his primary qualifications for mayor.

As Investors Begin To Ask Questions, CORREIA Continues to Deceive

44. After he was elected mayor in November 2015, CORREIA became increasingly unresponsive to inquiries from the investors and software developers. As a result, in or about April 2016, Investor #1 asked his nephew, who had a Ph.D. in chemistry and experience with technology start-ups ("Advisor #1"), if Advisor #1 was willing to help try to revive SnoOwl now that CORREIA had been elected mayor. Advisor #1 agreed.

45. After meeting, Advisor #1 and CORREIA agreed that Advisor #1 would become a formal advisor to SnoOwl. In that role, Advisor #1 would attempt to strengthen SnoOwl's business, raise funding, acquire more users, and help make SnoOwl an attractive candidate for acquisition. In return, CORREIA agreed to provide Advisor #1 with SnoOwl's financial records, including financial statements, balance sheets, income statements, cash flow statements, accounting ledgers, and any salary or loan-related information for SnoOwl employees.

46. Despite several requests for accounting ledgers, debt notes, and other important records, however, CORREIA only provided Advisor #1 with a handful of documents. Concerned about CORREIA's failure to provide these documents, Advisor #1 met with Associate #3 and later emailed CORREIA (who was mayor at the time), on or about April 29, 2016:

I met with [Associate #3] today to go over company financial information, and found that there are some very alarming financial issues that need to be fixed before we can move forward with SnoOwl. [Associate #3] and I need access to records for all investor money that's been put into the company, and how it has been spent ... If you don't have those records available, then, we have to get together, find what we can and rectify these issues...

Right now, neither [Associate #3] nor I know where a substantial amount of investor money collected by SnoOwl has gone. Furthermore, as I understand it, early on, in the company, you used a personal account to conduct company business ... after raising investment money. This is, at best, a horrible mistake, and, at worst, can be regarded as criminal if the funding gaps are not solved.

47. CORREIA never responded to the above email. In or about May 2016, however, CORREIA hired an accountant based in southeastern Massachusetts ("Accountant #1") to verify and categorize three years (2013, 2014 and 2015) of SnoOwl deposit and disbursement activity as either business or nonbusiness transactions.

48. To perform this task, Accountant #1 requested all of SnoOwl's financial and accounting records. In response to this request, however, CORREIA provided only limited SnoOwl financial documents, including the Citizen's Account records. There were broad categories of documents that Accountant #1 never received, including, but not limited to, the investor agreements, accounting records, business plans, records reflecting SnoOwl's joint ownership, convertible debt notes, and receipts or invoices.

49. Over the next several months, Accountant #1 met with CORREIA on multiple occasions to attempt to determine which disbursements from the Citizen's Account were business, and which were personal. Despite repeated requests, CORREIA never provided Accountant #1 with any supporting documentation for any of the disbursements from the Citizen's Account that CORREIA claimed were business expenses. Coupled with CORREIA's failure to provide other critical categories of documents, CORREIA's repeated failure to provide supporting

documentation to Accountant #1 prevented Accountant #1 from ever completing the verification and categorization of SnoOwl deposit and disbursement activity.

50. Moreover, during the course of the engagement, CORREIA falsely told Accountant #1 that CORREIA was the sole owner of SnoOwl, and that there were no other SnoOwl owners or partners in either 2013 or 2014. This, coupled with CORREIA's failure to provide any documentation showing that there were other equity partners in SnoOwl, later caused Accountant #1, when he filed CORREIA's amended 2013 and 2014 personal tax returns in May 2017, to characterize SnoOwl as a sole proprietorship, instead of a partnership, a critical distinction for tax purposes, as described in paragraphs 54-55 below.

51. On several occasions during the course of his engagement with Accountant #1, CORREIA admitted to Accountant #1 that CORREIA had used a substantial amount of investor money for personal expenses (approximately \$100,000); CORREIA, however, did not come to close to admitting the full amount of investor money he had taken for himself. CORREIA also admitted to Accountant #1 that CORREIA had not disclosed the existence of SnoOwl on either CORREIA's 2013 or 2014 personal tax returns; this caused Accountant #1 to inform CORREIA that CORREIA was required to file amended returns.

52. In or about November 2016, Investor #1 asked CORREIA to see the results of Accountant #1's analysis. At a meeting, CORREIA showed Investor #1 (but did not let him keep) several sheets and graphs purporting to be that analysis, and told Investor #1, in sum and substance, that, "the books were all squared away." CORREIA also attempted to convince Investor #1 to agree that some of Investor #1's SnoOwl investment money was actually a "loan" to CORREIA. Investor #1, however, did not agree.

CORREIA Learns of Federal Investigation, Files False Amended Returns

53. By in or about late-March 2017, CORREIA was aware that SnoOwl had become the subject of a federal investigation. Local media subsequently reported the existence of a federal investigation in April 2017.

54. In or about early-May 2017, aware that he was under federal investigation, CORREIA instructed Accountant #1 to file amended 2013 and 2014 personal tax returns. Accountant #1 filed those returns on or about May 28, 2017, both of which noted that, “tax return is being amended to include the Schedule C for SnoOwl which was erroneously omitted on the original filing.” Because Accountant #1 relied on the information CORREIA had provided to him, the amended returns classified SnoOwl as a sole proprietorship, and included Schedules C purportedly listing all of SnoOwl’s income and expenses.

55. In a sole proprietorship, money taken out of the business is non-taxable draw, whereas in a partnership, money taken out of the business is taxable income. Accordingly, Accountant #1 did not treat any of the investor money that CORREIA took out of SnoOwl as taxable income on the amended returns. As a result, after filing the amended returns, CORREIA was not assessed any tax liability for all of the investor money that he took for himself, and CORREIA actually received a refund from the IRS in June 2017.

56. CORREIA knew that the amended 2013 and 2014 personal tax returns that he caused to be filed with the IRS were materially false in the following ways: (i) SnoOwl was improperly classified as a sole proprietorship in 2013 and 2014, saving CORREIA tens of thousands of dollars in tax liability; (ii) the returns failed to report income CORREIA received from a different business of his; and (iii) the returns falsely claimed personal expenditures as business expenses on the attached Schedules C.

COUNTS ONE – NINE
18 U.S.C. § 1343 (Wire Fraud)

The Grand Jury charges that:

57. The Grand Jury re-alleges and incorporates by reference paragraphs 1 through 56 of this Indictment.

58. On or about each of the dates set forth below, in Fall River, in the District of Massachusetts, and elsewhere, the defendant,

JASIEL F. CORREIA, II,

having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations and promises, did transmit and cause to be transmitted by means of wire communications in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing the scheme to defraud, as set forth below:

<u>Count</u>	<u>Date</u>	<u>Description of Wire Communication</u>
1	5/5/2014	Processing of \$6,000 Check #112 from Investor #1 to SnoOwl
2	11/5/2014	Email from CORREIA to Investors #3, #4 attaching SnoOwl business plan
3	11/8/2014	Email from CORREIA to Investors #3, #4 re equity stake, inv. agreement
4	11/18/2014	Processing of \$25,000 Check #130 from Investor #3 to SnoOwl
5	11/18/2014	Processing of \$25,000 Check #3808 from Investor #4 to SnoOwl
6	11/18/2014	Email from CORREIA Investors #3, #4 re: signed investor agreement
7	1/14/2015	Processing of \$20,000 Check #131 from Investor #2 to SnoOwl
8	5/5/2015	Processing of \$5,000 Check #2412 from Investor #1 to SnoOwl/CORREIA
9	5/5/2015	Processing of \$4,500 Check #2413 from Investor #1 to SnoOwl/CORREIA

All in violation of Title 18, United States Code, Section 1343.

COUNTS TEN & ELEVEN
26 U.S.C. § 7206(1) – Filing False Tax Returns

The Grand jury further charges that:

59. The Grand Jury re-alleges and incorporates by reference paragraphs 1 through 56 of this Indictment.

60. On or about the dates set forth below, in the District of Massachusetts, the defendant,

JASIEL F. CORREIA, II,

did willfully make and subscribe U.S. Individual income tax returns, Forms 1040, for the tax years identified below, which were verified by written declarations that each return was made under the penalties of perjury, and which were filed with the Director, Internal Revenue Service, which returns CORREIA did not believe to be true and correct as to every material matter in that CORREIA then and there well knew and believed said Individual Returns substantially understated his actual income.

Count	Form	On or About	Tax Year
10	1040	02/18/2015	2013
11	1040	02/18/2015	2014

All in violation of Title 26, United States Code, Section 7206(1).

COUNTS TWELVE & THIRTEEN
26 U.S.C. § 7206(1) – Filing False Tax Returns

The Grand jury further charges that:

61. The Grand Jury re-alleges and incorporates by reference paragraphs 1 through 56 of this Indictment.

62. On or about the dates set forth below, in the District of Massachusetts, the defendant,

JASIEL F. CORREIA, II,

did willfully make and subscribe Amended U.S. Individual income tax returns, Forms 1040X, for the tax years identified below, which were verified by a written declaration that each return was made under the penalties of perjury, and which were filed with the Director, Internal Revenue Service, which returns CORREIA did not believe to be true and correct as to every material matter in that CORREIA then and there well knew and believed said Individual Returns substantially understated his actual income, and claimed false Schedule C business losses.

Count	Form	On or About	Tax Year
12	1040X	05/30/2017	2013
13	1040X	05/30/2017	2014

All in violation of Title 26, United States Code, Section 7206(1).

FORFEITURE ALLEGATION
(18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c))

63. Upon conviction of one or more of the wire fraud offenses in violation of Title 18, United States Code, Section 1343, set forth in Counts One through Nine of this Indictment, the defendant,

JASIEL F. CORREIA, II,

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 property, real or personal, which constitutes or is derived from proceeds traceable to the offenses.

64. If any of the property described in Paragraph 63, above, as being forfeitable pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), as a result of any act or omission of the defendant –

- 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 divided without difficulty;

it is the intention of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property described in Paragraph 63 above.

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

A TRUE BILL

David Bowen
FOREPERSON


ZACHARY R. HAFTER
ASSISTANT U.S. ATTORNEY
DISTRICT OF MASSACHUSETTS

District of Massachusetts: OCTOBER 4, 2018
Returned into the District Court by the Grand Jurors and filed.

Kelliann Belmont
DEPUTY CLERK
10/4/18 11:17am

Criminal Case Cover Sheet

Place of Offense:	Category No. <u>II</u>	Investigating Agency	<u>FBI/IRS/HUD-OIG</u>
City <u>Fall River</u>	Related Case Information:		
County <u>Bristol</u>	Superseding Ind./ Inf.	Case No.	
	Same Defendant	New Defendant	
	Magistrate Judge Case Number		
	Search Warrant Case Number		
	R 20/R 40 from District of		
Defendant Information:			
Defendant Name <u>Jasiel F. Correia, II</u>	Juvenile:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is this person an attorney and/or a member of any state/federal bar: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Alias Name _____			
Address <u>(City & State) Fall River, MA</u>			
Birth date (Yr only): <u>1991</u>	SSN (last4#): <u>1229</u>	Sex <u>M</u>	Race: <u>Hispanic</u> Nationality: <u>U.S.</u>
Defense Counsel if known: <u>Mark Berthiaume</u>	Address <u>One International Place, Suite 2000</u>		
Bar Number <u>041715</u>	<u>Boston, MA 02110</u>		
U.S. Attorney Information:			
AUSA <u>Zachary R. Hafer</u>	Bar Number if applicable <u>569389</u>		
Interpreter: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	List language and/or dialect: _____		
Victims: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, are there multiple crime victims under 18 USC§3771(d)(2) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
Matter to be SEALED: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
<input checked="" type="checkbox"/> Warrant Requested	<input type="checkbox"/> Regular Process	<input type="checkbox"/> In Custody	
Location Status:			
Arrest Date _____			
<input type="checkbox"/> Already in Federal Custody as of _____ in _____.			
<input type="checkbox"/> Already in State Custody at _____ <input type="checkbox"/> Serving Sentence	<input type="checkbox"/> Awaiting Trial		
<input type="checkbox"/> On Pretrial Release: Ordered by: _____ on _____			
Charging Document: <input type="checkbox"/> Complaint <input type="checkbox"/> Information <input checked="" type="checkbox"/> Indictment			
Total # of Counts: <input type="checkbox"/> Petty _____ <input type="checkbox"/> Misdemeanor _____ <input checked="" type="checkbox"/> Felony <u>13</u>			
Continue on Page 2 for Entry of U.S.C. Citations			
<input checked="" type="checkbox"/> I hereby certify that the case numbers of any prior proceedings before a Magistrate Judge are accurately set forth above.			
Date: <u>10/04/2018</u>	Signature of AUSA: 		

District Court Case Number (To be filled in by deputy clerk): _____

Name of Defendant _____

U.S.C. Citations

	<u>Index Key/Code</u>	<u>Description of Offense Charged</u>	<u>Count Numbers</u>
Set 1	<u>18 USC 1343</u>	Wire Fraud	Counts 1-9
Set 2	<u>26 USC 7206(1)</u>	Filing False Tax Returns	Counts 10-13
Set 3	_____	_____	_____
Set 4	_____	_____	_____
Set 5	_____	_____	_____
Set 6	_____	_____	_____
Set 7	_____	_____	_____
Set 8	_____	_____	_____
Set 9	_____	_____	_____
Set 10	_____	_____	_____
Set 11	_____	_____	_____
Set 12	_____	_____	_____
Set 13	_____	_____	_____
Set 14	_____	_____	_____
Set 15	_____	_____	_____

ADDITIONAL INFORMATION: _____