

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

FILED

GRAND JURY N-11-2 2011 APR 25 P 4:12

UNITED STATES OF AMERICA

v.

ANGELO REYES
a/k/a "Tati"

Case No: 3:10CR120 (CFD)
U.S. DISTRICT COURT
NEW HAVEN, CT

18 U.S.C. Section 844(n)
(Conspiracy to Destroy Property
Used in Interstate Commerce by Fire)

18 U.S.C. Section 844(i)
(Destruction of Property Used
In Interstate Commerce by Fire)

18 U.S.C. Section 1343
(Wire Fraud)

18 U.S.C. Section 844(h)
(Use of Fire to Commit
a Federal Felony)

18 U.S.C. Section 2
(Aiding and Abetting)

SECOND SUPERSEDING INDICTMENT

The Grand Jury charges:

COUNT ONE

(Conspiracy to Destroy Property Used in Interstate Commerce by Fire - 83 Lombard Street)

General Allegations

1. At all times material to this Indictment, the defendant Angelo Reyes, a/k/a "Tati," ("REYES") was a resident of the Fair Haven section of New Haven, Connecticut. REYES owned and operated several commercial and residential properties in Fair Haven, and also sought to develop several other properties in Fair Haven.

2. At all times material to this Indictment, Osvaldo Segui, a/k/a "Baldo" and "Bardo" ("Segui"), a co-conspirator who is not named as a defendant herein, was a resident of the Fair Haven section of New Haven, Connecticut.

3. At all times material to this Indictment, Osvaldo Segui, Jr., a/k/a "Baldito" and "Dito" (Segui Jr.), a co-conspirator who is not named as a defendant herein, was a resident of the Fair Haven section of New Haven, Connecticut. Segui is the father of Segui Jr., and the two resided together in an apartment on Maltby Street in New Haven within walking distance of the People's Laundromat at 83 Lombard Street, New Haven, Connecticut.

4. At all times material to this Indictment, Individual A, who is known to the grand jury but not named as a defendant herein, resided on Maltby Street in the Fair Haven section of New Haven, Connecticut, and was an associate of Segui.

5. At all times material to this Indictment, REYES owned the building on Maltby Street in which Segui and Segui Jr. lived. Segui and Segui Jr. resided in one of the apartments in the Maltby Street building without paying rent to REYES.

6. On or about June 24, 1998, REYES acquired 83 Lombard Street, New Haven, Connecticut for \$10,000.00 through a quit claim deed from First Union Bank.

7. On or about December 21, 1998, the City of New Haven granted REYES a variance so that the 83 Lombard Street, New Haven, Connecticut property could be used as a laundromat.

8. At all times material to this Indictment, the People's Laundromat was a commercial laundromat, used in interstate commerce, and in any activity affecting interstate commerce, located at 83 Lombard Street in the Fair Haven section of New Haven, Connecticut (hereinafter "the People's Laundromat"). The property located at 83 Lombard Street was a two-story mixed occupancy building with the People's Laundromat on the first floor and two residential apartments on the second floor. REYES owned the property located at 83 Lombard Street, operated the People's Laundromat there, and served as the landlord for the residential apartments above the laundromat.

9. Beginning in or about 1999 and through and including 2007, REYES obtained various loans from financial institutions, which were secured by 83 Lombard Street and other properties that he owned in the Fair Haven section of New Haven, Connecticut.

10. On or about April 1, 2009, REYES added 83 Lombard Street to Nautilus Insurance Policy #NC855666, which included \$500,000.00 in property coverage for the building, and \$24,000.00 in business interruption insurance.

11. On the evening of July 30, 2009, there was a fire at the People's Laundromat. Fire fighters noticed that the rear door to the laundromat, which can only be accessed and opened from inside the laundromat, was propped open.

12. After the fire had been extinguished, responding personnel located three gasoline cans inside the People's Laundromat. One of these gas cans was located on the top of a clothes dryer and was still intact; one was located on the floor near the rear door and had melted to half its size; and one was located toward the front doors of the laundromat.

13. Upon further investigation, a canine trained to detect accelerants alerted to the presence of accelerants inside the People's Laundromat.

14. Chemical analysis performed at the State of Connecticut Forensic Lab on samples taken from the laundromat tested positive for accelerants. Specifically, testing of samples taken from the People's Laundromat revealed the presence of "a petroleum product consistent with a gasoline."

15. Fire department investigators ultimately determined that the fire was an arson, initiated by accelerants located toward the rear of the business.

16. After the fire, and beginning on or about July 31, 2009, REYES caused a claim to be filed and sought to collect on Nautilus Insurance Policy #NC855666, the insurance policy covering the 83 Lombard Street, New Haven, Connecticut property. The Nautilus Insurance Company has not paid REYES' claim.

17. On or about June 21, 2010, REYES filed a petition for bankruptcy in the United States Bankruptcy Court for the District of Connecticut.

18. As a result of responding to the fire at 83 Lombard Street on July 30, 2009, a New Haven firefighter sustained injuries that rendered him temporarily disabled and unable to return to work without limitations until November 2009.

19. The fire that took place at 83 Lombard Street on July 30, 2009 created a serious risk of injury to an employee and others who were in the People's Laundromat immediately prior to the start of the fire.

The Conspiracy

20. From in or about the spring of 2009 through and including June 2010, in the District of Connecticut and elsewhere, REYES, along with Segui and Segui Jr., unlawfully, willfully and knowingly did combine, conspire, confederate and agree together and with each other to commit an offense against the United States, namely to maliciously damage and destroy, by means of fire or an explosive, any building, and other real and personal property used in interstate commerce, and in any activity affecting interstate commerce, namely the People's Laundromat located at 83 Lombard Street, New Haven, Connecticut, in violation of Title 18, United States Code, Section 844(i), during which personal injury resulted to a person, namely, a public safety officer performing his duties, as a direct and proximate result of the conduct, as prohibited by Title 18, United States Code, Section 844(i).

Manner and Means of the Conspiracy

21. It was part of the conspiracy that REYES, Segui and Segui Jr. devised a plan to set fire to the People's Laundromat.

22. It was part of the conspiracy that Segui Jr. would set fire to the People's Laundromat, while Segui would perform the role of a lookout.

23. It was part of the conspiracy that Segui and Segui Jr. would be paid or receive other benefits from REYES for their participation in the arson of the People's Laundromat.

Overt Acts

24. In furtherance of the conspiracy and to effect the objects thereof, within the District of Connecticut and elsewhere, REYES, Segui and Segui Jr. did commit and cause to be committed the following overt acts, among others:

a. Sometime in or about the spring of 2009, REYES began speaking with Segui about setting fire to the People's Laundromat at 83 Lombard Street, New Haven, Connecticut. REYES

told Segui that he was having financial problems, including the People's Laundromat at 83 Lombard Street, and that the property "had to go," otherwise REYES could lose everything, including the house in which Segui was living.

b. On or about April 1, 2009, REYES added 83 Lombard Street to Nautilus Insurance Policy #NC855666, which included \$500,000.00 in property coverage for the building, and \$24,000.00 in business interruption insurance.

c. Prior to the fire on July 30, 2009, REYES, in Segui's presence, cut holes in the ceiling of the People's Laundromat, to provide access to the area above a drop ceiling.

d. Prior to the fire on July 30, 2009, REYES manually turned off the recording function of the People's Laundromat video surveillance system on several occasions.

e. Prior to the fire on July 30, 2009, Segui offered participation in the People's Laundromat arson to Individual A, who declined to participate.

f. Prior to the fire on July 30, 2009, REYES asked Segui Jr. to help burn the People's Laundromat. REYES instructed Segui Jr. to obtain used gas cans for the task; to purchase gas from a specific gas station that did not have surveillance cameras; to dress to avoid detection; and to follow a certain path between an alley between Segui and Segui Jr.'s residence on Maltby Street and the People's Laundromat at 83 Lombard Street. REYES told Segui Jr. that he would put a card in the rear door of the laundromat so that Segui Jr. could obtain access to the back of the laundromat. REYES told Segui Jr. that he would find two holes near the ceiling in which he should pour the gasoline; that he should pour a path of gas back to the rear door; that he should then ignite the fire; and that he should follow the same path back to the Maltby Street residence. REYES told Segui Jr. that Segui would show Segui Jr. the steps he had explained so that Segui Jr. could set the fire.

g. Prior to the fire on July 30, 2009, Segui and Segui Jr. met so that Segui could show Segui Jr. how to set the fire. Segui walked Segui Jr. along the path between their Maltby Street residence and the People's Laundromat. A card had been placed in the rear door to keep it from locking. In the rear of the laundromat, Segui showed Segui Jr. the two holes that had been cut into the sheetrock to access the area above a drop ceiling. Segui told Segui Jr. to pour one tank of gas in one hole; to pour another tank of gas into the other hole; to make a path of gas back to the door; to ignite the fire; and to follow the same path back to their Maltby Street residence.

h. Prior to the fire on July 30, 2009, Segui brought gasoline cans to the laundromat.

i. On July 30, 2009, on several occasions immediately before the fire began, Segui repeatedly drove his vehicle around the block where the People's Laundromat was located.

j. On July 30, 2009, Segui Jr. accessed the People's Laundromat from the back door and poured gasoline into one of the holes cut in the ceiling. The gasoline ignited, which resulted in a fire in the building. Shortly after the fire, Segui Jr. went to the Yale New Haven Hospital Emergency Room to be treated for burns to his legs. Segui Jr. was discharged from the hospital on July 31, 2009.

k. As a result of their participation in the arson of the People's Laundromat, Segui and Segui Jr. received money and other benefits from REYES.

l. On or about August 5, 2009, in an effort to conceal his conduct and avoid detection, Segui Jr. fled Connecticut and temporarily relocated to Florida. Prior to Segui Jr.'s departure, REYES told Segui that things were "too hot" and that Segui Jr. should leave town. REYES gave money to Segui to pay for Segui Jr.'s flight to Florida. While in Florida, Segui sent money, provided by REYES, to Segui Jr.

m. After the fire, in an effort to conceal his conduct and avoid detection, Segui Jr. falsely claimed that he sustained his burn injuries while performing work on a car that had caught fire.

n. After the fire, and beginning on or about July 31, 2009, REYES caused a claim to be filed and sought to collect on Nautilus Insurance Policy #NC855666, the insurance policy covering the 83 Lombard Street, New Haven, Connecticut property.

All in violation of Title 18, United States Code, Section 844(n).

COUNT TWO

(Destruction of Property Used in Interstate Commerce by Fire - 83 Lombard Street)

25. The allegations set forth in paragraphs 1 through 19 of this Indictment are hereby re-alleged and incorporated as though set forth in full herein.

26. On or about July 30, 2009, in the District of Connecticut, the defendant ANGELO REYES, a/k/a "Tati," along with Osvaldo Segui, a/k/a "Baldo" and "Bardo" and Osvaldo Segui, Jr., a/k/a "Baldito" and "Dito," individuals who are not named as defendants herein, maliciously damaged and destroyed, by means of fire or an explosive, any building, and other real and personal property used in interstate commerce, and in any activity affecting interstate commerce, namely the People's Laundromat located at 83 Lombard Street, New Haven, Connecticut, during which personal injury resulted to a person, namely, a public safety officer performing his duties, as a direct and proximate result of the conduct.

In violation of Title 18, United States Code, Sections 844(i) and 2.

COUNT THREE

(Wire Fraud – 83 Lombard Street)

General Allegations

27. The allegations set forth in paragraphs 1 through 19 of this Indictment are hereby re-alleged and incorporated as though set forth in full herein.

The Scheme

28. From in or about the spring of 2009 through and including the present, in the District of Connecticut and elsewhere, the defendant ANGELO REYES, a/k/a "Tati," devised and intended to devise a scheme to defraud the Nautilus Insurance Company, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, by causing Segui and Segui Jr. to set fire to REYES' 83 Lombard Street, New Haven, Connecticut property, after which REYES caused a claim to be filed and sought to collect on Nautilus Insurance Policy #NC855666, the insurance policy covering the 83 Lombard Street, New Haven, Connecticut property, which scheme affected a financial institution.

Execution of the Scheme

It was part of the scheme that:

29. Beginning in or about 1999 and through and including 2007, REYES obtained various loans from financial institutions, which were secured by 83 Lombard Street and other properties that he owned in the Fair Haven section of New Haven, Connecticut.

30. Sometime in or about the spring of 2009, REYES began speaking with Segui about setting fire to the People's Laundromat at 83 Lombard Street, New Haven, Connecticut. REYES told Segui that he was having financial problems, including the People's Laundromat at 83 Lombard Street, and that the property "had to go," otherwise REYES could lose everything, including the house in which Segui was living.

31. On or about April 1, 2009, REYES added 83 Lombard Street to Nautilus Insurance Policy #NC855666, which included \$500,000.00 in property coverage for the building, and \$24,000.00 in business interruption insurance.

32. Prior to the fire on July 30, 2009, REYES, Segui and Segui Jr. devised a plan to set fire to the People's Laundromat. Segui Jr. would set fire to the People's Laundromat, while Segui would perform the role of a lookout. Segui and Segui Jr. would be paid or receive other benefits from REYES for their participation in the arson of the People's Laundromat.

33. Prior to the fire on July 30, 2009, REYES, in Segui's presence, cut holes in the ceiling of the People's Laundromat, to provide access to the area above a drop ceiling.

34. Prior to the fire on July 30, 2009, REYES manually turned off the recording function of the People's Laundromat video surveillance system on several occasions.

35. Prior to the fire on July 30, 2009, Segui offered participation in the People's Laundromat arson to Individual A, who declined to participate.

36. Prior to the fire on July 30, 2009, REYES asked Segui Jr. to help burn the People's Laundromat. REYES instructed Segui Jr. to obtain used gas cans for the task; to purchase gas from a specific gas station that did not have surveillance cameras; to dress to avoid detection; and to follow a certain path between an alley between Segui and Segui Jr.'s residence on Maltby Street and the People's Laundromat at 83 Lombard Street. REYES told Segui Jr. that he would put a card in the rear door of the laundromat so that Segui Jr. could obtain access to the back of the laundromat. REYES told Segui Jr. that he would find two holes near the ceiling in which he should pour the gasoline; that he should pour a path of gas back to the rear door; that he should then ignite the fire; and that he should follow the same path back to the Maltby Street residence. REYES told Segui Jr. that Segui would show Segui Jr. the steps he had explained so that Segui Jr. could set the fire.

37. Prior to the fire on July 30, 2009, Segui and Segui Jr. met so that Segui could show Segui Jr. how to set the fire. Segui walked Segui Jr. along the path between their Maltby Street residence and the People's Laundromat. A card had been placed in the rear door to keep it from locking. In the rear of the laundromat, Segui showed Segui Jr. the two holes that had been cut into the sheetrock to access the area above a drop ceiling. Segui told Segui Jr. to pour one tank of gas in one hole; to pour another tank of gas into the other hole; to make a path of gas back to the door; to ignite the fire; and to follow the same path back to their Maltby Street residence.

38. Prior to the fire on July 30, 2009, Segui brought gasoline cans to the laundromat.

39. On July 30, 2009, on several occasions immediately before the fire began, Segui repeatedly drove his vehicle around the block where the People's Laundromat was located.

40. On July 30, 2009, Segui Jr. accessed the People's Laundromat from the back door and poured gasoline into one of the holes cut in the ceiling. The gasoline ignited, which resulted in a fire in the building. Shortly after the fire, Segui Jr. went to the Yale New Haven Hospital Emergency Room to be treated for burns to his legs. Segui Jr. was discharged from the hospital on July 31, 2009.

41. As a result of their participation in the arson of the People's Laundromat, Segui and Segui Jr. received money and other benefits from REYES.

42. On or about August 5, 2009, in an effort to conceal his conduct and avoid detection, Segui Jr. fled Connecticut and temporarily relocated to Florida. Prior to Segui Jr.'s departure, REYES told Segui that things were "too hot" and that Segui Jr. should leave town. REYES gave money to Segui to pay for Segui Jr.'s flight to Florida. While in Florida, Segui sent money, provided by REYES, to Segui Jr.

43. After the fire, in an effort to conceal his conduct and avoid detection, Segui Jr. falsely claimed that he sustained his burn injuries while performing work on a car that had caught fire.

44. After the fire, and beginning on or about July 31, 2009, REYES caused a claim to be filed and sought to collect on Nautilus Insurance Policy #NC855666, the insurance policy covering the 83 Lombard Street, New Haven, Connecticut property.

45. On or about July 31, 2009, REYES caused a notice of loss under Nautilus Insurance Policy #NC855666 to be submitted by fax.

46. In December 2009, in furtherance of his insurance claim, REYES executed and caused to be submitted a "Sworn Statement in Proof of Loss" in which he falsely and fraudulently stated that "the cause and origin of said loss were unknown to the insured."

47. The Nautilus Insurance Company has not paid REYES' claim.

48. On or about June 21, 2010, REYES filed a petition for bankruptcy in the United States Bankruptcy Court for the District of Connecticut.

49. The scheme affected financial institutions from whom REYES had obtained loans, which were secured by 83 Lombard Street and other properties that he owned in the Fair Haven section of New Haven, Connecticut.

Use of the Wires

50. On or about July 31, 2009, in the District of Connecticut, REYES, for the purpose of executing and attempting to execute the scheme and artifice to defraud the Nautilus Insurance Company, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, by causing Segui and Segui Jr. to set fire to REYES' 83 Lombard Street, New Haven, Connecticut property, after which REYES caused a claim to be filed and sought to collect on Nautilus Insurance Policy #NC855666 as described above, which scheme affected a financial institution, did transmit and cause to be transmitted in interstate commerce by means of a wire communication certain signs and signals, that is wire transmissions on or about July 31, 2009 pursuant to which a property loss notice for 83 Lombard Street, New Haven, Connecticut was submitted to the Nautilus Insurance Company by fax.

In violation of Title 18, United States Code, Section 1343.

COUNT FOUR

(Use of Fire to Commit a Federal Felony – 83 Lombard Street)

51. On or about July 30, 2009, in the District of Connecticut, the defendant ANGELO REYES, a/k/a "Tati," knowingly used fire to commit a felony prosecutable in a court of the United States, namely, wire fraud in violation of Title 18, United States Code, Section 1343, as charged in Count Three above.

In violation of Title 18, United States Code, Sections 844(h) and 2.

COUNT FIVE

(Wire Fraud – 42 Lombard Street)

General Allegations

52. The allegations set forth in paragraphs 1 through 5 of this Indictment are hereby re-alleged and incorporated as though set forth in full herein.

53. On or about January 27, 2000, REYES acquired 42 Lombard Street, New Haven, Connecticut for \$42,000.00. through a quit claim deed from Sunamerica Investments, Inc.

54. On or about August 28, 2000, REYES sold the 42 Lombard Street property to two individuals who are known to the grand jury but not named herein for \$106,000.00.

55. In or about February 2005, REYES caused an appraisal to be made on the 42 Lombard Street property, pursuant to which the property was appraised for \$200,000.00.

56. On or about March 17, 2005, REYES purchased the 42 Lombard Street property back for \$185,000.00.

57. On or about March 18, 2005, REYES obtained an insurance policy on the 42 Lombard Street property through the M.H. Chodos Insurance Agency. The insurance policy – Policy Number CP2123731 from the Mount Vernon Fire Insurance Co. – included \$200,000.00 of coverage for the dwelling; \$300,000.00 of personal liability coverage; and \$1,000,000.00 in medical coverage per person.

58. On or about March 24, 2005, there was a fire at 42 Lombard Street, New Haven, Connecticut. The fire was so intense that it resulted in multiple fire department alarms and caused significant damage to a neighboring property.

59. At all times material to this Indictment, 42 Lombard Street, New Haven, Connecticut was a single family residence until it was destroyed by fire on or about March 24, 2005.

60. On or about March 24, 2005, REYES caused a notice of loss under Policy Number CP2123731 from the Mount Vernon Fire Insurance Co. to be submitted by fax. The property loss notice, which was marked "URGENT", stated that the 42 Lombard Street property had sustained a "fire loss – house caught fire; cause unknown at this time." The claim was subsequently assigned claim number K012911.

61. On or about July 25, 2005, the Mount Vernon Fire Insurance Co. paid \$154,015.06 to "Angelo Reyes and Biller Associates Tri-State LLC," in satisfaction of claim number K012911 for the fire that occurred on March 24, 2005 at the 42 Lombard Street property.

62. On or about March 30, 2007, Reyes sold the 42 Lombard Street property, which then contained a six family apartment building, for \$515,000.00.

The Scheme

63. From in or about March 2005 through and including March 30, 2007, in the District of Connecticut and elsewhere, REYES devised and intended to devise a scheme to defraud the Mount Vernon Fire Insurance Co., and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, by causing Segui and Individual A to set fire to REYES' 42 Lombard Street, New Haven, Connecticut property, after which REYES caused a claim to be filed to collect on Mount Vernon Fire Insurance Co. Policy #CP2123731, the insurance policy covering the 42 Lombard Street, New Haven, Connecticut property, after which REYES renovated the property into a six family unit that he sold for \$515,000.00, which scheme affected a financial institution.

Execution of the Scheme

It was part of the scheme that:

64. Sometime in or about March 2005, REYES instructed Segui to set fire to the 42 Lombard Street property. REYES told Segui that he wanted the property burned because he planned to build a multi-family complex at the location. REYES told Segui that the house needed to be "burned and cleared" to make way for the new multi-family dwelling.

65. On or about March 17, 2005, REYES purchased the 42 Lombard Street property for \$185,000.00.

66. On or about March 18, 2005, REYES obtained a 30 year mortgage of \$157,250.00 from Argent Mortgage Company for the 42 Lombard Street property, and made a payment of \$1,205.12.

67. On or about March 18, 2005, the mortgage was assigned to Countrywide Home Loans ("Countrywide").

68. On or about March 18, 2005, REYES obtained an insurance policy on the 42 Lombard Street property through the M.H. Chodos Insurance Agency. The insurance policy – Policy Number CP2123731 from the Mount Vernon Fire Insurance Co. – included \$200,000.00 of coverage for the dwelling; \$300,000.00 of personal liability coverage; and \$1,000,000.00 in medical coverage per person.

69. Prior to the fire on March 24, 2005, Segui offered participation in the 42 Lombard Street arson to Individual A, who agreed to participate.

70. Prior to the fire on March 24, 2005, Segui purchased gasoline to be used as the accelerant for the fire.

71. On March 24, 2005, Segui picked up Individual A and the two proceeded to the 42 Lombard Street property.

72. After their arrival, Individual A expressed concern to Segui because it appeared that people were still living in the residence because of the presence of personal belongings within the residence. Segui assured Individual A that the tenants had moved out. Individual A then poured gas through the interior of the residence and lit the fire.

73. On or about March 24, 2005, REYES caused a notice of loss under Policy Number CP2123731 from the Mount Vernon Fire Insurance Co. to be submitted by fax. The property loss notice, which was marked "URGENT", stated that the 42 Lombard Street property had sustained a "fire loss – house caught fire; cause unknown at this time." The claim was subsequently assigned claim number K012911.

74. On or about March 24, 2005, Segui and Individual A drove to REYES' laundromat on 83 Lombard Street in New Haven. REYES gave Segui money for Segui and Individual A's participation in the arson of 42 Lombard Street. After meeting with REYES, Segui gave money to Individual A for Individual A's participation in the arson of 42 Lombard Street.

75. On or about March 25, 2005, what was left of the 42 Lombard Street building was demolished by REYES per an "Unsafe Notice and Order to Demolish" issued by the City of New Haven's Livable City Initiative, Building Division.

76. From in or about March 2005 through on or about September 29, 2005, REYES did not make any further payments on the mortgage that he obtained to purchase the 42 Lombard Street property.

77. On or about July 5, 2005, Countrywide issued REYES a Notice of Default and Acceleration, stating that the mortgage REYES had obtained to purchase the 42 Lombard Street property was in "serious default because the required payments have not been made." The notice stated that unless the default was cured on or before August 4, 2005, the mortgage payments would be accelerated with the full amount becoming due and payable in full, and foreclosure proceedings would be initiated.

78. On or about July 25, 2005, the Mount Vernon Fire Insurance Co. paid \$154,015.06 to "Angelo Reyes and Biller Associates Tri-State LLC," in satisfaction of claim number K012911 for the fire that occurred on March 24, 2005 at the 42 Lombard Street property.

79. On or about September 29, 2005, REYES made payments to bring the Countrywide mortgage current, and thereafter made regular payments through and including April 2007.

80. On or about December 26, 2006, REYES obtained a five year construction mortgage for \$60,000.00, secured by 42 Lombard Street and another property that he owned in the Fair Haven section of New Haven. REYES subsequently renovated the 42 Lombard Street property into a six family residence.

81. On or about March 28, 2007, REYES obtained a partial release of the December 26, 2006 mortgage, which released the 42 Lombard Street property from the mortgage.

82. On or about March 30, 2007, Reyes sold the 42 Lombard Street property, now a six family apartment building, for \$515,000.00.

83. On or about April 2, 2007, REYES paid off the remaining balance of the Countrywide mortgage on the 42 Lombard Street property.

Use of the Wires

84. On or about March 24, 2005, in the District of Connecticut, REYES, for the purpose of executing and attempting to execute the scheme and artifice to defraud the Mount Vernon Fire Insurance Co., and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, by causing Segui and Individual A to set fire to REYES' 42 Lombard Street, New Haven, Connecticut property, after which REYES caused a claim to be filed to collect on insurance policy #CP2123731 from the Mount Vernon Fire Insurance Co., and after which REYES renovated the property into a six family unit that he sold for \$515,000.00, which scheme affected a financial institution, did transmit and cause to be transmitted in interstate commerce by means of a wire communication certain signs and signals, that is wire transmissions on or about March 24, 2005 pursuant to which a property loss notice under Mount Vernon Fire Insurance Co. Policy Number 2123731 for 42 Lombard Street, New Haven, Connecticut was submitted by fax.

In violation of Title 18, United States Code, Section 1343.

COUNT SIX

(Use of Fire to Commit a Federal Felony – 42 Lombard Street)

85. On or about March 24, 2005 in the District of Connecticut, the defendant ANGELO REYES, a/k/a “Tati,” knowingly used fire to commit a felony prosecutable in a court of the United States, namely, wire fraud in violation of Title 18, United States Code, Section 1343, as charged in Count Five above.

In violation of Title 18, United States Code, Section 844(h) and 2.

A TRUE BILL

_____/s/
GRAND JURY FOREPERSON

_____/s/
DAVID B. FEIN
UNITED STATES ATTORNEY

_____/s/
RAYMOND F. MILLER
ASSISTANT UNITED STATES ATTORNEY

_____/s/
STEPHEN B. REYNOLDS
ASSISTANT UNITED STATES ATTORNEY