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U.S. DISTRICT COURT
NORTHERN DISTRICT OF OHIO
CLEVELAND

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

ANDREW BELZINSKAS,

Defendant.

) INDICTMENT

) JUDGE

) 1 : 15 CR 116

) CASE NO. _____

) Title 18 United States Code,
) Sections 1349 and 1344(1)

JUDGE OLIVER

The Grand Jury charges:

COUNT 1

(Conspiracy to Commit Bank Fraud, 18 U.S.C. § 1349)

General Allegations

1. At all times material herein, Taupa Lithuanian Credit Union (hereinafter "Taupa") was a financial institution, as defined in Title 18, United States Code, Section 20, the deposits of which were insured by the National Credit Union Share Insurance Fund. Taupa was chartered by the State of Ohio, and maintained its principal place of business at 767 East 185th Street, Cleveland, Ohio.

2. At all times material herein, the National Credit Union Administration ("NCUA") was the independent federal agency that regulated and supervised credit unions. The NCUA also

operated and managed the National Credit Union Share Insurance Fund, which insured deposit account balances up to \$250,000 per account.

3. On or about July 12, 2013, the State of Ohio, Department of Commerce, Division of Financial Institutions, along with the NCUA, took possession of Taupa and placed it into receivership due to its insolvency. At the time Taupa was placed into receivership, it served approximately 1,150 members and had assets of approximately \$24 million.

4. ANDREW BELZINSKAS ("BELZINSKAS") was a member of Taupa from in or around 1991, through on or about July 12, 2013, and maintained his personal accounts at Taupa. From in or around 1991, through in or around 2004, BELZINSKAS was employed full-time in multiple capacities at Taupa, and eventually was responsible for originating loans for Taupa for approximately 10 years. At no time during his employment at Taupa did BELZINSKAS earn more than \$50,000 per year.

5. After BELZINSKAS left his full-time employment at Taupa in 2004, he continued to work as a part-time loan officer for Taupa.

6. At all times material herein, Alex Spirikaitis ("Spirikaitis"), an individual not charged herein, was employed as the manager and chief executive officer of Taupa.

The Conspiracy

7. From in or around early 2007, through on or about July 12, 2013, in the Northern District of Ohio, Eastern Division, and elsewhere, Defendant ANDREW BELZINSKAS, Alex Spirikaitis, and others known and unknown to the Grand Jury, knowingly and voluntarily, did combine, conspire, confederate and agree together and with each other to violate the laws of the United States, to wit: to bank fraud, in violation of Title 18, United States Code, Section 1344(1),

that is, they knowingly executed and attempted to execute a scheme and artifice to defraud Taupa.

Objects of the Conspiracy

8. The objects of the conspiracy were to enrich BELZINSKAS, Spirikaitis, and others, by defrauding Taupa and concealing the fraud from Taupa's external auditors and the NCUA.

Manner and Means

9. Among the manner and means by which BELZINSKAS and Spirikaitis carried out the conspiracy were the following:

10. From approximately 1991, through on or about July 12, 2013, BELZINSKAS maintained his personal share accounts at Taupa, numbered XX69-RG, XX69-02, X53-RG, X53-02, XX74-RG, and XX74-09.

11. From in or around early 2007, through on or about July 12, 2013, BELZINSKAS knowingly wrote checks, authorized electronic payments, and made point of sale purchases drawn on his personal share accounts in which there were insufficient funds.

12. From in or around early 2007, through on or about July 12, 2013, BELZINSKAS withdrew approximately \$436,026 from his personal account for which there was insufficient funds. Spirikaitis made multiple transfers from Taupa's internal accounts to cover the overdrafts.

13. From in or around early 2007, through on or about July 12, 2013, BELZINSKAS did not follow the established procedures for overdrafts on accounts maintained and controlled at Taupa.

14. From in or around early 2007, through on or about July 12, 2013, Spirikaitis caused Taupa to make approximately 19 false and fraudulent transfers into BELZINSKAS's personal share accounts at Taupa.

15. At no time during the conspiracy did BELZINSKAS submit any credit applications or loan documentation for the money he received from Spirikaitis to cover the overdrafts.

16. As a result of the conspiracy by BELZINSKAS and Spirikaitis, Taupa and the NCUA suffered a loss of approximately \$436,026.

Acts in Furtherance of the Conspiracy

17. In furtherance of the conspiracy and to effect its unlawful objects, Defendant ANDREW BELZINSKAS, along with Alex Spirikaitis, committed and caused to be committed the following acts, among others, in the Northern District of Ohio, Eastern Division, and elsewhere:

A. On or about December 22, 2007, Spirikaitis transferred approximately \$25,208 from an account at Taupa to BELZINSKAS's personal account X53-RG.

B. On or about December 26, 2008, Spirikaitis transferred approximately \$50,923 from an account at Taupa to BELZINSKAS's personal account X53-RG.

C. On or about March 20, 2009, Spirikaitis transferred approximately \$26,522 from an account at Taupa to BELZINSKAS's personal account X53-RG.

D. On or about December 18, 2009, Spirikaitis transferred approximately \$30,973 from an account at Taupa to BELZINSKAS's personal account X53-RG.

E. On or about November 18, 2010, Spirikaitis transferred approximately \$23,086 from an account at Taupa to BELZINSKAS's personal account X53-02.

F. On or about November 1, 2011, Spirikaitis transferred approximately \$66,500 from an account at Taupa to BELZINSKAS's personal account X53-02.

All in violation of Title 18, United States Code, Section 1349.

COUNT 2

(Bank Fraud, 18 U.S.C. § 1344(1))

The Grand Jury further charges:

18. The general allegations set forth in paragraphs 1 through 6 and the factual allegations in paragraphs 9 through 17 of Count 1 are re-alleged and incorporated herein by reference.

19. From in or around early 2007, through on or about July 12, 2013, in the Northern District of Ohio, Eastern Division, and elsewhere, Defendant ANDREW BELZINSKAS, Alex Spirikaitis, and others known and unknown to the Grand Jury, knowingly executed and attempted to execute a scheme and artifice to defraud Taupa, to wit, through fraudulent transfers by Alex Spirikaitis to ANDREW BELZINSKAS's personal share accounts at Taupa which totaled approximately \$436,026.

All in violation of Title 18, United States Code, Section 1344(1).

A TRUE BILL.

Original document - Signatures on file with the Clerk of Courts, pursuant to the E-Government Act of 2002.