

F#: 2008R02233
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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

M-09-608

- - - - -X

UNITED STATES OF AMERICA

- against -

JONATHAN BOXMAN,

Defendant.

- - - - -X

SEALED COMPLAINT AND
AFFIDAVIT IN SUPPORT OF
APPLICATION FOR ARREST
WARRANT

(T. 18, U.S.C., §§ 1343
and 2)

EASTERN DISTRICT OF NEW YORK, SS:

ANNMARIE CUOCCI, being duly sworn, deposes and says that she is a Special Agent with the Federal Bureau of Investigation ("FBI"), duly appointed according to law and acting as such.

In or about and between January 2006 and December 2008, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant JONATHAN BOXMAN did knowingly and intentionally devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and did transmit and cause to be transmitted by means of wire in interstate commerce, for the purpose of executing such scheme or artifice, writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, Sections 1343 and 2.

The sources of your deponent's information and the grounds for her belief are as follows:¹

1. I have been a Special Agent with the FBI for approximately 18 years. I am presently assigned to a unit dedicated to the investigation of financial crimes.

2. The defendant, JONATHAN BOXMAN, controlled various entities, including, among others, Titledge Insurance Company of New York, Titledge of New Jersey and Integrity Title Agency (collectively, the "Boxman Entities"). The Boxman Entities were all located at 654 Sharrotts Road, Staten Island, New York. The defendant exercised control over the Boxman Entities' bank accounts, which were located at Commerce Bank in New Brunswick, New Jersey and Provident Bank in Woodbridge, New Jersey.

3. The Boxman Entities acted as settlement or escrow agents in real estate transactions. In that capacity, the Boxman Entites were entrusted with funds for the purpose of paying various taxes and fees associated with real estate closing transactions, and holding funds in escrow relating to liens or other conditions of the mortgage. BOXMAN had a fiduciary obligation to ensure that funds were used only for their proper

¹ Because the purpose of this affidavit is to set forth only those facts necessary to establish probable cause, I have not described all the relevant facts and circumstances of which I am aware.

purposes.

4. Rather than pay these fees and hold these monies in escrow, the defendant JONATHAN BOXMAN unlawfully transferred funds to the operating accounts of other entities under his control, as described below.

BOXMAN's Theft of Funds Intended For The Recording of Mortgages and Deeds

5. At a typical real estate closing, funds are wired to an attorney escrow account by the buyer or the buyer's lender. The attorney then either writes a check or wires funds to an agent of the title insurance company to cover various expenses.

6. In a meeting with BOXMAN and his attorney, BOXMAN said the following *to me*:

A. The BOXMAN entities received checks from buyers or buyers' lenders to cover, among other things, mortgage recording taxes and title insurance. These checks were made payable to one of the Boxman Entities and deposited in one of the Boxman Entities' bank accounts. Checks were then automatically generated by a computer with Boxman's signature on file to pay for mortgage recording taxes and title insurance. At BOXMAN's direction, his employees inserted these checks in

the mortgage files, but never sent them to the payees.

B. Instead, BOXMAN directed other employees of the Boxman Entities to transfer funds out of the entity where the check was deposited into the operating account of another Boxman Entity. These transfers were accomplished by a Boxman employee located in Staten Island. This employee used the internet to log into Boxman-controlled accounts at Commerce Bank in New Jersey. The Boxman employee would then transfer funds, as per BOXMAN's instructions, from one account to another.

7. In total, from January 2006 to December 2008, the defendant failed to pay approximately \$1.4 million in mortgage taxes and other fees. As a result, several mortgages and deeds were not recorded.

BOXMAN's Theft of Funds From the Faith Assembly Church

8. Church Mortgage Acceptance Company, LLC ("CMAC"), agreed to lend \$2.2 million to the Faith Assembly Church located in Queens, New York. As a condition of this loan, CMAC required \$635,193.50 of the loan proceeds to be held in an escrow account maintained by the settlement agent, Integrity Title Agency. On June 27, 2006, \$2.2 million was wired from a CMAC account located

at U.S. Bank in Portland, Oregon to an account in the name of Integrity Title Agency located at Commerce Bank in Cherry Hill, New Jersey. BOXMAN then transferred the money to an account in the name of Faith Assembly Church.

9. In September 2008, BOXMAN stole a total of \$384,980 out of the Faith Assembly Church account. Notably, on September 26, 2008, BOXMAN made two transfers out of the Faith Assembly Church Account: one to Titledge Insurance Company of New York in the amount of \$150,000 and another to the Titledge of New Jersey Trust Account in the amount of \$141,980. The funds placed in the Titledge Insurance Company of New York account were used to pay transfer taxes on five mortgages unrelated to Faith Assembly Church. The funds transferred to Titledge of New Jersey were later transferred by BOXMAN to Madison Title Agency, LLC in order to satisfy one of BOXMAN's escrow obligations unrelated to Faith Assembly Church.

10. On November 14, 2008, a representative of CMAC located in California e-mailed BOXMAN asking for monthly statements that would reflect the balances remaining in the escrow account. BOXMAN responded by falsely representing that he did not have the statements for July, August or September of 2008.

WHEREFORE, your deponent respectfully requests that an

arrest warrant be issued for defendant JONATHAN BOXMAN so that he may be dealt with according to law.

AnnMarie Cuocci
AnnMarie Cuocci
Special Agent,
Federal Bureau of Investigation

Sworn to before me this
19th day of June, 2009

✓
S/Gold

THE HC
UNITED
EASTER

~~BEIN~~ Steven M. Gold
JUDGE
RK