

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

Plaintiff,

GREEN BAY

v.

Case No.

RONALD H. VAN DEN HEUVEL,
PAUL J. PIIKKILA, and
KELLY Y. VAN DEN HEUVEL,

[18 U.S.C. §§ 2, 371, 1014, and 1344]

Defendants.

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES:

From on or about January 1, 2008 through on or about September 30, 2009, in the state and Eastern District of Wisconsin,

**RONALD H. VAN DEN HEUVEL,
PAUL J. PIIKKILA, and
KELLY Y. VAN DEN HUEVEL**

knowingly conspired with each other and others to:

- a. Devise and participate in a scheme to defraud Horicon Bank and to obtain money under the custody and control of Horicon Bank, the accounts of which were insured by the Federal Deposit Insurance Corporation, by means of false and fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1344; and

b. Make material false statements to Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, for the purpose of influencing the actions of the bank to issue loans, in violation of Title 18, United States Code, Section 1014.

Scheme

The scheme in this count is as follows:

a. During the period of the scheme, defendant Piikkila was employed as a loan officer for Horicon Bank (hereinafter “the bank”), working at the Appleton, Wisconsin branch. He had authority to make loans up to a \$250,000 limit. Loans he proposed to make above that limit needed to be approved by the bank’s Business Lenders Committee.

b. During the period of the scheme, defendant Ronald Van Den Heuvel represented himself to be a businessman in the area of Green Bay, Wisconsin. He operated and controlled at least seven purported business entities that he used interchangeably.

c. During the period of the scheme, Kelly Van Den Heuvel was the wife of Ronald Van Den Heuvel and was also the owner and operator of KYHKJG, a limited liability corporation.

d. In December of 2007, or early January of 2008, Ronald Van Den Heuvel approached Piikkila and asked him to issue loans from the bank to Ronald Van Den Heuvel or his business entities.

e. On or about January 17, 2008, Piikkila authorized a loan of \$250,000 from the bank to RVDH, Inc., one of Ronald Van Den Heuvel's business entities. Ronald Van Den Heuvel signed the business note for RVDH, Inc. According to the note, the loan was to be repaid at 7.25% interest by January 15, 2009. It was never repaid and, after collection efforts, the bank charged off a loss of \$237,109.

f. In March of 2008, Piikkila proposed that the bank loan \$7,100,000 to Source of Solutions, LLC, another of Ronald Van Den Heuvel's business entities. The bank's Business Lenders Committee refused to authorize that loan because their attempts to investigate Ronald Van Den Heuvel's financial record convinced them that Ronald Van Den Heuvel was not a good credit risk.

g. Piikkila made attempts to restructure this \$7,100,000 loan but those attempts did not gain the approval of the Business Lenders Committee. Eventually, Piikkila's superiors instructed him not to make any loans to Ronald Van Den Heuvel or his business entities.

h. After that, Piikkila made a series of loans from the bank for the benefit of Ronald Van Den Heuvel and his business entities. All of these subsequent loans were \$250,000 or less so were within Piikkila's lending authority and did not have to be approved by higher authorities within the bank. None of them were to Ronald Van Den Heuvel personally and most of them were to individuals who were not actually receiving the loan proceeds and did not regard themselves as responsible for repaying the loans (hereinafter referred to as "straw

borrowers"). The conspirators knew that these loans were not actually going to the straw borrowers because the funds were being used by Ronald Van Den Heuvel and his business entities.

i. A predominant share of the money from these loans was disbursed for the purposes of Ronald Van Den Heuvel and his business entities even though they were not represented to be the borrowers. The loan proceeds were used for purposes other than those represented on the loan requests submitted to the bank.

j. With one exception, the loans made as part of this scheme were not repaid. The straw borrowers regarded the debts as Ronald Van Hen Heuvel's so felt no duty to repay the bank. Ronald Van Den Heuvel did not repay the bank even though the loan money was used for his benefit and the benefit of his business entities.

k. Collateral pledged as security for these loans actually belonged to Ronald Van Den Heuvel but was not sufficient to allow the bank to recover the principal or interest on these loans.

l. Despite the bank's efforts to collect, the loans granted as part of this scheme resulted in losses for the bank exceeding \$700,000.

Overt Acts

In furtherance of the conspiracy and to effect its objects, the defendants performed the following overt acts.

1. Prior to September 12, 2008, Ronald Van Den Heuvel persuaded his

employee, S.P., to act as a straw borrower to obtain loans for Ronald Van Den Heuvel from Horicon Bank.

2. On or about September 12, 2008, Piikkila authorized a loan of \$100,000 to straw borrower S.P. Proceeds from that loan were transferred to two of Ronald Van Den Heuvel's business entities.

3. On or about November 7, 2008, Piikkila authorized two loans of \$250,000 and \$70,000, respectively, to KYHKJG, LLC.

4. Prior to January 2, 2009, Ronald Van Den Heuvel persuaded W.B. to act as a straw borrower to obtain a loan for Ronald Van Den Heuvel from Horicon Bank.

5. On or about January 2, 2009, Piikkila authorized a loan of \$240,000 to straw borrower W.B., a former relative of Ronald Van Den Heuvel by marriage. These funds were used to pay personal expenses of Ronald Van Den Heuvel and to pay off different loans obtained for Ronald Van Den Heuvel at different banks.

6. On or about February 11, 2009, Piikkila authorized a loan of \$30,000 to straw borrower S.P. Those funds were promptly used for the benefit of two of Ronald Van Den Heuvel's business entities.

7. On or about May 15, 2009, Piikkila authorized a loan of \$129,958 to straw borrower S.P. This loan consolidated the debts due on the loans noted in paragraphs 2 and 6 above.

8. Prior to May 15, 2009, Ronald and Kelly Van Den Heuvel persuaded their employee, J.G., to act as a straw borrower to obtain a loan for the Van Den Heuvels from

Horicon Bank.

9. On or about May 15, 2009, Piikkila authorized a loan of \$25,000 to straw borrower J.G., an employee of Ronald and Kelly Van Den Heuvel. These funds were promptly paid to RVDH, Inc. and KYHKJG, LLC; paid to S.P. as a payment on the loan noted in paragraph 7 above; or paid to W.B. to be used as payment on the loans noted in paragraph 5 above.

10. On or about September 11, 2009, Piikkila authorized a loan of \$240,000 to Source of Solutions, LLC, one of Ronald Van Den Heuvel's business entities. Signing the business note for Source of Solutions was D.S., Ronald Van Den Heuvel's administrative assistant. These funds were promptly transferred to Ronald Van Den Heuvel's other business entities, paid out to Ronald Van Den Heuvel's employees, used to pay off Ronald Van Den Heuvel's debts to other companies and other banks, and used to make payments against balances due on the loans noted in paragraphs e., 7, and 9 above.

11. On or about September 25, 2009, Piikkila authorized a loan of \$10,000 to RVDH, Inc. These funds were promptly transferred to another of Ronald Van Den Heuvel's business entities.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

THE GRAND JURY FURTHER CHARGES:

On or about September 12, 2008, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to S.P., knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT THREE

THE GRAND JURY FURTHER CHARGES:

On or about September 12, 2008, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL

knowingly caused the making of a false statement for the purpose of influencing Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, upon a loan. The false statement was that S.P. was the actual borrower on the loan, when, as defendant well knew, S.P. was a straw borrower whose name was being put on the loan even though the loan proceeds were actually going to the defendant who would control their use.

All in violation of Title 18, United States Code, Sections 2 and 1014.

COUNT FOUR

THE GRAND JURY FURTHER CHARGES:

On or about January 2, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to W.B., knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT FIVE

THE GRAND JURY FURTHER CHARGES:

On or about January 2, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL

knowingly caused the making of a false statement for the purpose of influencing Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, upon a loan. The false statement was that W.B. was the actual borrower on the loan, when, as defendant well knew, W.B. was a straw borrower whose name was being put on the loan even though the loan proceeds were actually going to the defendant who would control their use.

All in violation of Title 18, United States Code, Sections 2 and 1014.

COUNT SIX

THE GRAND JURY FURTHER CHARGES:

On or about February 11, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to S.P., knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT SEVEN

THE GRAND JURY FURTHER CHARGES:

On or about February 11, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL

knowingly caused the making of a false statement for the purpose of influencing Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, upon a loan. The false statement was that S.P. was the actual borrower on the loan, when, as defendant well knew, S.P. was a straw borrower whose name was being put on the loan even though the loan proceeds were actually going to the defendant who would control their use.

All in violation of Title 18, United States Code, Sections 2 and 1014.

COUNT EIGHT

THE GRAND JURY FURTHER CHARGES:

On or about May 15, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to S.P., knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT NINE

THE GRAND JURY FURTHER CHARGES:

On or about May 15, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL

knowingly caused the making of a false statement for the purpose of influencing Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, upon a loan. The false statement was that S.P. was the actual borrower on the loan, when, as defendant well knew, S.P. was a straw borrower whose name was being put on the loan even though the loan proceeds were actually going to the defendant who would control their use.

All in violation of Title 18, United States Code, Sections 2 and 1014.

COUNT TEN

THE GRAND JURY FURTHER CHARGES:

On or about May 15, 2009, in the state and Eastern District of Wisconsin,

**RONALD H. VAN DEN HEUVEL and
KELLY Y. VAN DEN HEUVEL,**

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to J.G., knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel, Kelly Van Den Heuvel and their business entities.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT ELEVEN

THE GRAND JURY FURTHER CHARGES:

On or about May 15, 2009, in the state and Eastern District of Wisconsin,

**RONALD H. VAN DEN HEUVEL and
KELLY Y. VAN DEN HEUVEL**

knowingly caused the making of a false statement for the purpose of influencing Horicon Bank, the deposits of which were insured by the Federal Deposit Insurance Corporation, upon a loan. The false statement was that J.G. was the actual borrower on the loan, when, as defendants well knew, J.G. was a straw borrower whose name was being put on the loan even though the loan proceeds were actually going to the defendants who would control their use.

All in violation of Title 18, United States Code, Sections 2 and 1014.

COUNT TWELVE

THE GRAND JURY FURTHER CHARGES:

On or about September 11, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to Source of Solutions, LLC, knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities other than Source of Solutions, LLC.

All in violation of Title 18, United States Code, Sections 2 and 1344.

COUNT THIRTEEN

THE GRAND JURY FURTHER CHARGES:

On or about September 25, 2009, in the state and Eastern District of Wisconsin,

RONALD H. VAN DEN HEUVEL,

to execute the scheme to defraud described in Count One of this indictment, caused a loan to be issued by Horicon Bank to RVDH, Inc. knowing that the loan proceeds would be used for the benefit of Ronald Van Den Heuvel and his business entities other than RVDH, Inc.

All in violation of Title 18, United States Code, Sections 2 and 1344.

A TRUE BILL:

FOREPERSON

Dated: _____

GREGORY J. HAANSTAD
United States Attorney