

INTRODUCTION

We, the members of the Thirty-Fifth Statewide Investigating Grand Jury, pursuant to Notice of Submission of Investigation Number 108, have reviewed evidence pertaining to allegations of criminal offenses occurring in Bucks County, Pennsylvania. In conducting our investigation, we have heard testimony, and received and reviewed information concerning activities of: Claire Risoldi; her husband, Tom French; her adult daughter, Carla Risoldi, her adult son, Carl Risoldi (AKA Carlo Risoldi); Carl Risoldi's wife, Sheila Risoldi; private investigator, Mark Goldman; and fabric vendor, Richard Holston (AKA Rikk Holston).

Over 80 witnesses have testified and we have reviewed over 100 exhibits. We learned that on October 22, 2013, volunteer firefighters from five Bucks County volunteer fire companies responded to a large fire at a residence that is known as "Clairemont" located at 5781 Stoney Hill Road in New Hope, Buckingham Township, Pennsylvania. Claire Risoldi, Tom French, Carl Risoldi and his wife Sheila Risoldi reside at Clairemont along with Carl and Sheila Risoldi's two young children. The October 22, 2013 fire was the third fire at Clairemont in the past five years. Prior fires occurred on June 17, 2009 and August 16, 2010. Following each of the three fires, the Risoldis filed insurance claims with their carrier, AIG Insurance Company ("AIG"). To date, AIG has paid out in excess of \$20 million in connection with those three claims and the Risoldis' are seeking approximately \$20 million more for the October 22, 2013 fire. The October 22, 2013 fire is distinguished from the other two fires at Clairemont by the fact that Claire Risoldi falsely accused the volunteer firefighters that responded to the fire of stealing jewelry purportedly worth millions of dollars while they were in her home fighting the fire. The Risoldis are currently seeking to recover over \$10 million from AIG for this jewelry as part of the additional \$20 million that they are claiming.

In addition to the testimony and evidence concerning the three fires at Clairemont and the related insurance claims, we also reviewed evidence that established that the Risoldi family has a history of filing questionable insurance claims for the past 20 to 30 years. In fact, information provided to the insurance companies by the Risoldis in connection with those prior claims often contradicts the information that they provided to AIG in connection with the current claims. In one case we discovered that in August of 2014, Claire Risoldi still had possession of pieces of jewelry that she falsely reported stolen to the Lower Makefield Police Department in 1993. She filed a claim with Nationwide Insurance Company ("Nationwide") in connection with that alleged loss and was ultimately paid for items of jewelry that had never actually been stolen.

The testimony and evidence that we have received has convinced us that the Risoldis and the other individuals named above have engaged in a wide-ranging multi-million dollar scheme to defraud AIG. The Risoldis have used the proceeds of this scheme as a source of ongoing funding for an excessively extravagant lifestyle. We, the members of the Thirty-Fifth Statewide Investigating Grand Jury, do hereby make the following findings of fact, and recommendation of charges:

FINDINGS OF FACT

The Police, Firefighters and Fire Marshall

Steven Daniels testified that he is the Buckingham Township Police Chief and also a member of the Midway Fire Department, which is one of the volunteer fire companies that responded to the October 22, 2013 fire. Chief Daniels was not at the scene of the fire on October 22, 2013. On December 13, 2013, Claire Risoldi contacted the Buckingham Township Police Department to report that she discovered that jewelry was stolen or went missing from her home during the fire on October 22, 2013. Chief Daniels handled the investigation himself. Claire

Risoldi initially told him the value of the jewelry was seven million dollars. However, the following day she told him the value was between eight and ten million dollars. In a later telephone conversation, she stated the value of the missing jewelry was \$12 million.

Claire Risoldi also related the following to Chief Daniels during his investigation:

- Claire Risoldi removed fifty-five pieces of jewelry from a safe deposit box at the Fox Chase Bank branch in Lahaska, PA a few weeks prior to the fire. She did this because she was getting married at Clairemont on October 16, 2013 and could not decide which pieces of jewelry to wear for the wedding. She placed these pieces of jewelry into two Risoldi Law Office bags.
- On the day of the fire she placed the bags, which were filled with individual jewelry boxes containing each of the fifty-five pieces of jewelry, on chairs in the front hallway of Clairemont, intending to take them to the bank later that day.
- She was not home when the fire started and when she returned, firemen were already inside her residence. She requested entry into the house to retrieve her jewelry from the foyer, but was repeatedly denied entrance.
- She specifically stated to Lieutenant John R. Landis¹ that her jewelry was inside the house.
- She did not file a police report until many weeks after the alleged theft, because she was advised by AIG not to report the loss to the police until she verified that the jewelry was in fact missing.

¹ Lt. Landis appeared to testify on two occasions. At the time of his first appearance he held the rank of Sergeant and was promoted to Lieutenant prior to his second appearance. We refer to him by his current rank in this Presentment.

Chief Daniels noted that when he pointed out to Claire Risoldi that she was implicitly accusing the firefighters that responded to the fire of taking her jewelry, she became “quite animated” and expressed concern that the firefighters would not come to her house for another fire. He also noted that, although there were multiple police officers at the fire scene the day of the fire as well as several days afterward, neither Claire Risoldi nor any of her family members mentioned the missing jewelry to law enforcement personnel. Finally, Chief Daniels pointed out that the delay in reporting the theft of the jewelry compromised the ability of law enforcement to conduct an investigation.

This grand jury heard testimony from over sixty police officers, firefighters, fire-police officers and first responders that were at the fire scene. In summary they testified that:

- They did not see any Risoldi Law Office bags on chairs in the front hallway of Clairemont;²
- They did not see any jewelry in the house;
- They never took anything from the house, nor did they see anyone else take anything from the house;
- Neither Claire Risoldi, nor any other civilian at the scene ever said anything about valuable jewelry being inside the house or about the necessity of getting inside the house to retrieve it.

We found the firefighters to be credible and that their testimony was corroborated by physical evidence in the case that proved that the jewelry could not have possibly been stolen in the manner described by the Risoldis, as discussed in greater detail below.

² According to the testimony, the front hallway became the main traffic thoroughfare during the firefighting operations. The firefighters testified that they brought their equipment and hoses, or “lines”, through that hallway and some of the firefighters indicated that they moved items that were in the way. It is hard to imagine that they would not notice two white and green canvas bags perched on chairs in the hallway.

This grand jury heard testimony from Lieutenant Landis of the Buckingham Township Police Department. Lt. Landis has known the Risoldi family for over ten years and had become their point of contact for the Buckingham Township Police Department. Lt. Landis stated that he responded to the scene of the fire on October 22, 2013. He had contact with all the members of the Risoldi family while he was at the scene and none of them mentioned that there was a large quantity of expensive jewelry in the house or that any jewelry was missing. The first time he was advised of the possibility that jewelry had been stolen during the fire was a few weeks after the fire when he spoke to Claire Risoldi. She mentioned that two bags of jewelry had been moved during the fire and some things were missing. She did not make a formal police report at that time.

Lt. Landis stated the next time he heard anything about missing jewelry was in the evening on November 27, 2013, when Claire Risoldi called him at home and asked for information about how to report the theft of \$3 million worth of jewelry from her residence during the fire. This date stood out for Lt. Landis, because he had been out of work recovering from an injury, it was the night before Thanksgiving and he found it odd for Claire Risoldi to be calling him at that time. Lt. Landis was highly suspicious of Claire Risoldi's allegation and told her he did not believe her story and advised her not to make a false report or commit insurance fraud. He recalled that Claire Risoldi responded that her daughter Carla Risoldi, who Lt. Landis knows to be an attorney and a former prosecutor, said the same thing to her.

Lt. Landis subsequently returned and provided additional testimony to the Grand Jury, during which he told us about a voice-mail message he had received from Claire Risoldi during the first half of September of 2014. It was obvious to Lt. Landis she was in a state of emotional agitation, because she was yelling so loudly it caused some distortion in the recording. Lt.

Landis related that Claire Risoldi was berating Chief Daniels and him for having spoken to AIG. Lt. Landis did not really understand the purpose of the call, because he had never spoken to anyone from AIG, although he was aware Chief Daniels had done so. He recalled Claire Risoldi made reference to what she believed he should have told AIG about whether she reported the missing jewelry to him in a timely manner. Lt. Landis also stated Claire Risoldi was aware of the Grand Jury investigation. We find the timing of this voice-mail message from Claire Risoldi to be significant, because it coincides with AIG giving the Risoldis notice they were denying the claim for the alleged jewelry theft.

This grand jury heard testimony from Buckingham Township Fire Marshall James Kettler regarding the causes and origins of the three fires at Clairemont and we also reviewed reports that he prepared. Fire Marshall Kettler testified that he investigated each of the fires at Clairemont and officially listed the causes of the fires as undetermined. Fire Marshall Kettler explained that the conclusion "undetermined" is distinct and different from a finding of accidental and it does not exclude other possibilities as to how the fires may have been started. Thus, Fire Marshall Kettler could amend his opinion at a later time, if he were to receive additional evidence that suggested a specific cause. It is clear to us that he was not concluding that any of the fires were accidental.

Fire Marshall Kettler noted significant similarities in the three fires. The 2010 and 2013 fires appeared to be the result of electrical wiring issues. In all three fires there were large quantities of highly flammable and explosive cans of aerosol hairspray stockpiled near the points of origin. In each case, Claire Risoldi was the last person to exit the house.

Video from the Risoldis' home security system during the 2013 fire shows Claire Risoldi left the house a minute before smoke was visible outside the house and may have actually been

in the house when the fire was already burning. This contradicts what she told Chief Daniels, as well as statements she made to AIG representatives during their investigation of the claim.

Insurance Claims

This grand jury heard testimony from James O'Keefe, who is a general adjuster in the Private Client Group at AIG that was assigned to the claim filed by the Risoldis in connection with the October 22, 2013 fire. O'Keefe described his educational background to us and his extensive experience in the insurance industry. O'Keefe explained that AIG's Private Client Group provides various forms of insurance to high net worth individuals and has insured Clairemont since before the 2009 fire. Carl Risoldi is the named insured on the policy, which provides coverage for the residents of Clairemont, including Claire Risoldi, French and Sheila Risoldi. At the time of the 2013 fire, Clairemont was insured for \$7.2 million for damage to the structure and the contents of the house were insured for approximately \$5 million. The policy also provides "loss of use" coverage, also known as "additional living expenses" that pays the insureds' living expenses while the damaged property is being restored. This coverage has no dollar limit, and is restricted only by the time it would take to restore the damaged property to habitable condition. The Risoldis' policy also has a replacement cost clause that provides coverage for expenses in excess of the \$7.2 million policy limit for structural damage in the event that it would cost more than that to restore the house to the original pre-loss condition. In addition, there was a separate "collection policy" for "scheduled"³ jewelry that belonged to Carl Risoldi, Claire Risoldi, Sheila Risoldi, and French. On October 22, 2013, the collection policy covered scheduled jewelry purportedly valued at \$10,942,805.

³ "Scheduled" means that the items covered by the collection policy must be individually listed on a document known as a "schedule". Items that are not listed on the schedule are not covered by the policy. Items can be added to and removed from the schedule by the insured.

O'Keefe testified that the items of jewelry covered by the collection policy were changed on several occasions by the Risoldis during the time period prior to October 22, 2013. On July 8, 2013, the scheduled items were increased from two items with a total purported value of \$105,855 to 16 items having a total purported value of \$1,195,505. On August 28, 2013, the number of scheduled items was increased to 29 for a total purported value of \$3,276,005 and then again increased on September 5, 2013 to 42 items purportedly valued at \$6,657,255. Finally, the Risoldis increased the number of scheduled items to 55 for a total purported value of \$10,942,805 on September 27, 2013, less than a month before the fire and alleged theft. AIG has denied the claim for the jewelry in its entirety, citing fraud.

To date AIG has paid out \$7.2 million to rebuild Clairemont, and the Risoldis are seeking approximately \$8 million more under the replacement cost provision based on the theory that the house cannot be restored to its original condition for less than a total of \$15 million. At this point, AIG has indicated that it is demanding strict proof of restoration costs before it will pay out anything additional for rebuilding. AIG has also paid out \$2 million for the contents of the house and the Risoldis are seeking an additional \$3 million. AIG has told the Risoldis that it will not pay out anything more for contents. The Risoldis' assertion that it will cost over \$2 million for vendor Summerdale Mills to produce replacement window treatments for Clairemont is a significant point of dispute in the contents claim. Another aspect of the contents claim is the cost of replacing damaged original murals painted directly on the ceilings of Clairemont by a local artist. The Risoldis have falsely led AIG to believe it will cost over \$900,000 to replace the murals. AIG has paid out over \$600,000 for additional living expenses, after the Risoldis falsely led them to believe the bulk of that money would go toward the rental of two homes for them to live in while they await the completion of the repairs to Clairemont.

The Jewelry Claims

O'Keefe explained that in the course of AIG's investigation they were able to obtain voluminous records from a 1993 claim the Risoldis filed with Nationwide for the theft of jewelry and artwork purportedly valued at over \$360,000. These records proved to be a treasure trove of information revealing a long history of questionable claims that was startling to us in its depth and breadth.

Nationwide denied the 1993 claim for fraud and concealment and the Risoldi's filed suit in Federal Court, which resulted in a two year battle culminating with the Risoldis accepting \$80,000 to settle the claim. Michael R. Nelson, the attorney that represented Nationwide in this litigation and John J. Haugh, an investigator currently working for Nationwide, testified about the details of this claim. The Nationwide file included police reports from a remarkably similar incident at the Risoldis' Yardley, PA home in 1984. Thus, we learned Claire Risoldi has been reporting jewelry stolen from her homes under suspicious circumstances since at least 1984. We also learned that, during a statement taken in connection with the Nationwide claim, Claire Risoldi revealed that she had a previous fire claim in 1977, which she said was the result of a chandelier short circuiting and setting fire to the drapes in her home.

The police report from the 1984 incident indicates Claire Risoldi told police that, on November 29, 1984, she returned to her home at 12:15 PM and discovered it had been broken into, vandalized and personal property, including jewelry worth \$200,000 was stolen. According to the report, the supposed perpetrator entered the house by smashing a pane of glass in the rear door and reaching in to unlock a dead bolt lock. The vandalism included slashed upholstery, smashed mirrors and paint poured on wall to wall carpeting. We note that, unlike the Risoldi's

current claim with AIG, Claire Risoldi did not delay in reporting the stolen jewelry to the police. However, there is a significant similarity between the two losses. In 1984, Claire Risoldi submitted numerous suspect jewelry appraisals that lacked photographs to the police as proof of the existence and value of the missing jewelry. In the 2013 AIG claim she again submitted suspect appraisals with no photographs.

We also reviewed the police report from the 1993 incident that was the basis of the Nationwide claim. The report indicates Carla Risoldi told police that, on December 16, 1993, the Risoldi family returned to their home at 102 Tower Circle and discovered it had been forcibly entered, vandalized and that personal items including valuable original artwork and jewelry had been stolen. As in the 1984 incident, entry was gained by breaking the window in a door and unlocking a deadbolt. Interestingly, one of the broken panes of glass had an ADT security system sticker on it. The vandalism included slashed upholstery, broken mirrors and liquids and paint poured on furniture and carpeting. In addition, the contents of the refrigerator were strewn about and it appeared that various bottles of liquor had been handled by the perpetrators. The police report notes the thefts appeared to be selective as to value. The thieves took the expensive items and left what was of lesser value.

Again, unlike the current AIG claim, Claire Risoldi wasted no time informing the police expensive jewelry was missing. The police report indicates the Risoldis were advised of the importance of providing a list of the missing items of jewelry with descriptions to the police as soon as possible to aid in the investigation. There is evidence in the police paper work indicating they complied with this request. We simply cannot understand how the Risoldis managed to forget this important protocol for dealing with the loss of valuable jewelry in their current claim, which they were obviously able to follow on prior occasions.

We were fortunate to have Haugh's assistance in evaluating the information in the 1993 police report. In addition to being an experienced Special Investigator for Nationwide, Haugh has had decades of experience as a police officer and detective in the Philadelphia Police Department that included tours in the North Central Detective Division, the Homicide Division and the District Attorney's Insurance Fraud Unit. Haugh told us he investigated many residential burglaries during his career. Haugh stated it was inconsistent with his experience that a burglar that had the expertise to identify and take only valuable items of jewelry and artwork would also take the time to vandalize a home and also handle objects like liquor bottles, on which they could leave finger prints or other trace evidence. He clearly found the Risoldis' description of the 1993 burglary and theft incredible. Haugh explained that the fact that the house had been vandalized increased the amount or value of the claim beyond the cost of the stolen items, in effect allowing the Risoldis to inflate their recovery.

Haugh identified Nationwide's claim file and the documents contained in it evidencing the settlement of the claim for \$80,000. He explained the cash settlement of the claim meant Nationwide became the owner of any stolen property, if it was ever recovered. The fact that the claim was settled for a compromised amount that was less than what the Risoldis originally sought does not change this. Thus, if the Risoldis were to recover any of the claimed items, they would be obligated to turn them over to Nationwide, because it was legally Nationwide's property.

Nelson told us about his lengthy experience as an attorney representing insurance companies and that he had been retained by Nationwide to represent them in connection with the 1993 claim. Nelson recounted his personal contact with Claire Risoldi during his representation of Nationwide and explained that Nationwide denied the Risoldis' claim for fraud and

concealment. According to Nelson, one of the issues in the claim was Claire Risoldi's 1990 federal conviction for Mail Fraud. He stated that his recollection was that the federal case involved the submission of fraudulent medical bills to an insurance company for payment.

Following Nationwide's denial of the claim, the Risoldis' filed suit against Nationwide demanding payment of the claim. This suit was eventually re-cast as a "bad faith" suit, alleging Nationwide lacked a proper basis for denying the claim.

Nelson's testimony and the Nationwide files revealed several important facts. The Risoldis had a schedule of items of jewelry insured under the Nationwide policy, in addition to a fine art collection which purportedly included an original signed painting by Pablo Picasso. The files include copies of various jewelry schedules with detailed descriptions of the jewelry as well as the jewelry appraisals submitted in support of the claim. The appraisals did not include any photographs of the jewelry appraised. The files also include various statements from Claire Risoldi taken by Nationwide representatives. These statements indicate that Carla Risoldi was the first person to enter the house and discover the burglary. Jewelry and personal property belonging to all family members, including Carla Risoldi, were reported to have been stolen.

During a recorded interview on December 16, 1993, Claire Risoldi told a Nationwide investigator her entire jewelry collection had been taken. This collection included items that were not on the schedule and, therefore not insured. She further stated she kept the jewelry in a large Louis Vuitton box and that the purported thief or thieves carried the entire box out of the house.

Another issue explored by Nelson and Nationwide's claim personnel was the Risoldis' source of income. Nelson and other Nationwide representatives noted that the Risoldis' led an apparently extravagant lifestyle. For example at the time of the claim, they had a Ferrari sports

car in their garage and Claire Risoldi drove a Jaguar. She was questioned about sources of income and she indicated she was not employed outside of the home and had never been employed. She further indicated that their sources of income were disability payments being received by her then husband, Carl P. Risoldi,⁴ and some investment income. She estimated their total yearly income was between \$80,000 and \$90,000. Prior to becoming disabled, Carl P. Risoldi was employed as foreman for a tile company and made \$75,000 to \$85,000 a year.

We learned of a third insurance claim for stolen jewelry that was filed by the Risoldis with Fireman's Fund Insurance Company ("Fireman's Fund") in connection with a burglary and theft they said occurred on April 22, 2002 at Clairemont. The police report for the incident indicates that on April 22, 2002, Carl Risoldi called the police to report there had been an intruder in Clairemont that had stolen personal property, including jewelry, silverware, and furs. When police arrived, Carl and Sheila Risoldi advised them an intruder or intruders had entered the house while Sheila Risoldi was showering. She heard noises and called Carl Risoldi, who came home. They discovered items had been stolen and called the police. Once police arrived they conducted a more extensive check of the house and discovered jewelry had been stolen from the dresser drawers in the master bedroom. Photos depicting the scene show the open dresser drawers and empty jewelry boxes strewn about.

The report also states five fur coats were reported stolen. When asked whether she had any lists, appraisals or photographs of the missing items, Sheila Risoldi said she did not think so, but would check. She stated she was not sure of the value of the missing items, but estimated the stolen jewelry was worth \$1 million. As in the 1993 claim, the police report notes the

⁴ Carl P. Risoldi passed away on February 8, 2001.

perpetrator or perpetrators selectively took expensive items while leaving less expensive things like costume jewelry behind.

Public Adjustor Christopher Green testified that Claire Risoldi hired him to submit a claim to Fireman's Fund in connection with this alleged theft. Green's paperwork indicates he submitted a claim for a total of \$473,032. \$258,157 of this total was for the stolen jewelry. He stated that the claim took a long time to settle, because there were issues with proving the jewelry theft. A Sworn Statement in Proof of Loss executed by Claire Risoldi and a "Disbursement Statement" prepared by Green indicate the Fireman's Fund paid Claire Risoldi \$206,888 for the claim, which was the maximum amount covered under her policy.

As in the 1984 and 1993 losses, but unlike the 2013 claim, the Risoldis did not postpone reporting the stolen jewelry to the police. In order to prove the claimed jewelry existed and that she owned it prior to the date of the loss, Claire Risoldi submitted affidavits from various individuals who attested to the fact they had seen her wearing specific pieces of jewelry. She used a variant of this practice in the 2013 claim, when she submitted to AIG numerous more generalized statements from friends and associates attesting to the expensive looking jewelry she always wore. Goldman prepared the statements submitted in support of the 2013 claim. We are mystified by the fact that, given their prior experience with jewelry theft claims, the Risoldis never saw the value in having their valuable jewelry photographed and properly appraised. Our common sense tells us taking photographs of valuable items would be simpler than getting affidavits or statements after the jewelry has been stolen.

The Risoldis' entire insurance claim history helps to put the 2013 claim into sharp focus, because it provides detailed information about the scope of the accumulated collective knowledge they have about the insurance claims process and the insurance industry. Because the

2013 claim is currently active, events have unfolded in real time as this Grand Jury has conducted its investigation. During the ongoing claim process Claire Risoldi, Carl Risoldi, Carla Risoldi, Sheila Risoldi, French, and Goldman have each given statements to AIG in support of the claim pursuant to the terms of the insurance policy. The statements were of two types: recorded interviews, which were simply interviews that were tape recorded and examinations under oath (EUO), in which the person giving the statement is placed under oath and a stenographic record is made by a certified court reporter. O'Keefe either took these statements himself or was present when they were being taken. The statements were all taken at 4723 Buckingham Pike, Doylestown, PA, which was identified as the Risoldi Law Offices at the time of the statements.

The statements, which are part of the AIG claim files, have been received as evidence by this Grand Jury. They reveal the Risoldis' story about the salient facts of the claim has changed significantly over time and are not consistent with the testimony of the other witnesses and the physical evidence. In short, they are replete with misrepresentations intended to advance a fraudulent claim. Through their collective and individual statements to AIG, the Risoldis, French and Goldman set forth the following story about how the jewelry was stolen on October 22, 2013.

On October 16, 2013, at Claire Risoldi's request, Carl Risoldi retrieved all of the family's jewelry that was stored in safe deposit boxes at Fox Chase Bank in Lahaska, PA. Claire Risoldi wanted the jewelry brought home because she was getting married to French at a surprise wedding that evening, to be held at Clairemont during a political fund-raising event.⁵ She needed to have all of her jewelry in order to select the appropriate pieces to go with the outfit

⁵ The fundraiser was cancelled; but the wedding proceeded as planned. Witnesses that we heard from who had attended the event did not seem to be aware that the fundraiser had been cancelled.

that she would ultimately pick out to wear. It is not entirely clear why Carl Risoldi brought home jewelry belonging to other members of the family, including a collection of expensive men's watches. Claire Risoldi attributed it to Carl Risoldi's sense of humor, implying it was some kind of joke. The jewelry was brought home in two canvas Risoldi Law Office bags that were white with green trim. The jewelry was secured in Claire Risoldi's bedroom, which was kept locked and was off limits to the guests at the event.

According to the accounts given to AIG by the Risoldis', they had an old safe in the basement of Clairemont that they had previously used to store the jewelry, on which the combination lock was too difficult for Claire Risoldi to open. She had tired of relying on Carl Risoldi to get her jewelry out of the safe, so they started to store the jewelry in the safe deposit boxes at Fox Chase Bank. Thus, instead of having to ask Carl Risoldi to open the safe in their basement, Claire Risoldi would send him to retrieve the jewelry from the bank, which she somehow found to be more convenient. Claire Risoldi stated they had the old safe since they lived at 102 Tower Circle in Yardley and always kept their jewelry in it until they switched to using the safe deposit boxes.

Claire Risoldi said she intended to return the jewelry to the safe deposit boxes after the wedding and it was packed up in the two Risoldi Law Office bags for this purpose. Specifically, the articles of jewelry were packed in their individual boxes, which were then packed in the bags. On the morning of October 22, 2013, the bags were on chairs in the front hallway of Clairemont, waiting to be returned to the bank. Everyone departed the house, with Claire Risoldi being the last to leave. Claire Risoldi returned to find the attic area of Clairemont in flames and firefighters engaged in battling the blaze. She passed out upon seeing this and was revived by

paramedics. She declined to go to the hospital, ignoring the advice of the paramedics and her family. Apparently, she and her family were comfortable with her remaining at the scene.

The Risoldis all insist they either advised the firefighters and law enforcement personnel at the scene there was valuable jewelry in the house, or they at least clearly expressed a desire to get into the house to retrieve items of importance to them. They specifically state Lt. Landis was informed of the presence of the jewelry in the house and they asked him to retrieve it or to let them retrieve it. They state their pleas were ignored and they were not allowed into the house until the fire was extinguished. Once inside the house, they discovered the bags of jewelry were no longer on the chairs in the front hallway. French and Goldman corroborate this version of events in their statements.

The accounts differ as to how and when the bags were finally recovered. However, they are consistent to the extent that the bags were found in the house within a few days of the fire and most of the jewelry was gone, but the boxes were left behind and had been put back in the bags. It was noted that, because of the number of boxes, they were packed very tightly in the bags. The Risoldis all asserted that a firefighter or firefighters had taken the jewelry while they were extinguishing the fire. The Risoldis and Goldman stated that, on October 23, 2013, AIG adjuster Anthony Amoroso was at Clairemont and advised them not to report the missing jewelry to law enforcement until they were sure it was gone.

During her EUO, Carla Risoldi was specifically asked whether the Risoldi family had any prior claims for burglaries in which jewelry was stolen. After asking for clarification of the question and apparently thinking about her answer, she answered they did not have any prior claims of that type.

During her EUO, Claire Risoldi described her first husband as a millionaire that made his fortune in the marble business. She indicated in her statements and the documents she submitted to AIG that much of the jewelry that was stolen had been given to her by her first husband and had been acquired from 20 to 40 or more years before the fire.

We believe the contradictions and misrepresentations in the Risoldis account are obvious at this point, but we will catalogue them briefly for the sake of clarity:

- The facts of the three prior claims for the theft of jewelry demonstrate that the statement about the history of the safe in the basement of Clairemont is untrue. In none of those claims was the jewelry stored in a safe. Indeed, if it had been, it would not have been stolen.
- Not one of the dozens of firefighters that entered the house saw the bags on the chairs in the front hallway. If the bags were there, it is not likely they would have missed them, as the firefighters needed every bit of available space to get their hoses and equipment through that hallway.
- Not one firefighter, police officer, or first responder present at the scene heard any of the Risoldis say anything about jewelry or needing to get into the house to retrieve it. Interestingly, Fire Marshall Kettler testified that he did encounter French in the house before the fire was declared under control and had to tell him to leave. Their claims that no one could get into the house were not quite accurate.
- Amoroso and O'Keefe both testified they did not tell the Risoldis to delay reporting the missing jewelry to law enforcement. In fact, they both stated it would be contrary to insurance industry practice to recommend this. In any event, the Risoldis conduct in the three prior jewelry claims shows they knew the importance of making a prompt

report. In addition, even if they were told to delay reporting until they were sure about the loss, it does not explain why they delayed until long after they claim they knew the jewelry was actually gone.

- Carla Risoldi's statement that they had no prior claims for burglaries in which jewelry was stolen is patently false and it is hard to believe she did not at least remember her discovery of their savagely ransacked and vandalized home in 1993.
- Claire Risoldi's description of her first husband's financial success is contradicted by her statements in the 1993 case. It is also contradicted by the Judge's comments during the sentencing hearing in her 2000 federal mail fraud case, which indicate that Claire Risoldi had suggested her criminal conduct was the result of economic need.
- Claire Risoldi's representations that much of the stolen jewelry had been given to her by her first husband and was over 20 to 40 years old is contradicted by her representations in the 1993 claim that every piece of jewelry she owned had been stolen in that incident.

Claire Risoldi produced what is perhaps the most compelling evidence that the jewelry theft could not have occurred as described by the Risoldis. O'Keefe testified that on March 27, 2014, Claire Risoldi allowed him to inspect two Risoldi Law Office bags containing over 60 empty jewelry boxes the firefighters supposedly left behind after taking the pieces of jewelry they contained. O'Keefe took detailed photographs of the bags and the empty jewelry boxes, which we were able to view. Notably, although the bags were covered with black marks appearing to be some kind of dirt or soot, the jewelry boxes were all spotlessly clean, showing not a trace of visible evidence that they had been exposed to smoke, soot and ash or the thousands of gallons of water and fire-fighting foam that had been used to extinguish the fire.

Many of these spotlessly clean jewelry boxes were white or beige on the outside and lined with what appeared to be white satin.

When the firefighters testified, several of them brought in the gloves they wear to protect their hands while engaged in firefighting operations. As would be expected, these are heavy, bulky gloves that restrict hand movement to a certain degree. The firefighters explained the gloves get wet and covered with dirt, soot, and ash during firefighting activities. This dirt, soot, and ash is generally transferred to anything the gloves might come in contact with including the firefighters' hands should they remove the gloves for some reason. Notably, the gloves we were shown were dry and the firefighters explained they wash the gloves after each use to remove the accumulated dirt, which may contain carcinogenic material. Even though these gloves had been cleaned, they still had a residue of dirt.

One of the firefighters performed a demonstration for us, during which he attempted to open a sample jewelry box with his gloves on. The box was covered with a beige micro suede type material and lined with a white satin material and was similar in size and appearance to many of the boxes Claire Risoldi produced for O'Keefe. Even with the "clean" gloves, the firefighter left dark soot marks on the box when he attempted to open it. Clearly if he had tried to do this during active firefighting operations when the gloves would have been wet and had even more soot and ash on them, the box would have gotten even dirtier. We conclude that it would be physically impossible for the firefighters to have removed jewelry from the boxes while they were engaged in firefighting activities without leaving any visible trace dirt, soot or ash on any of the boxes.

This grand jury heard testimony from Donald A. Palmieri, a jewelry appraiser and forensic expert contracted by AIG to assist in the Risoldis' jewelry claim. Palmieri testified that

on August 14, 2014, he examined Claire Risoldi's jewelry, which was being maintained at Fox Chase Bank and stored in safe deposit boxes numbers 6029, 6032, 6034 and 6035. These boxes contained what was represented to him by Claire Risoldi's attorney, to be jewelry that was in Clairemont on October 22, 2013, but was not stolen. Palmieri examined and photographed the contents of those boxes. After his examination of the safe deposit boxes, he received from AIG a copy of the 1993 Nationwide claim documents. After comparing the information he obtained during the examination of the safe deposit boxes and the Nationwide loss claim, based on his experience and expertise, he is certain two of the rings Claire Risoldi claimed as having been stolen in 1993 were in the safe deposit boxes on August 14, 2014. Based on the testimony of Haugh and Nelson, we find Claire Risoldi's continued possession of these rings after being paid for a claim for their theft to be an ongoing criminal offense.

Palmieri appraised the value of the items he inspected on August 14, 2014 and was of the opinion that, although they were not cheap, they were of far less value than the items the Risoldis had reported were stolen on October 22, 2013. Thus, if the Risoldis' are to be believed, a selective thief or selective thieves, with the expertise to distinguish expensive jewelry from very expensive jewelry, once again victimized them. Amazingly, the thief or thieves managed to evaluate the quality of this jewelry while in a burning building, successfully putting out a fire.

Palmieri also explained there are detailed standards governing jewelry appraisals that are accepted in the industry. He reviewed the appraisals submitted by the Risoldis in support of their claim and found them to be deficient in several respects. Palmieri said the standards require that appraisals include photographs of the appraised item. He also told us that no special credentials are required to purchase blank appraisal forms, which are readily available to anyone that might be inclined to fabricate their own documentation.

As part of his work on this claim, Palmieri went to Lauria's Jewelers and met with the owner, Evangelo Pastris, on February 20, 2014. The majority of the appraisals submitted in support of the claim were purportedly from Lauria's Jewelers and Claire Risoldi stated most of the stolen jewelry had been purchased from there. Pastris took the business over when Michael Lauria passed away. Palmieri noted Lauria's did not have the correct equipment to properly appraise jewelry. Pastris told Palmieri that Lauria would go to Claire Risoldi's home to appraise her jewelry. Palmieri explained this was not good practice as it is not likely Lauria could bring the appropriate equipment to perform accurate appraisals.

Finally, while Palmieri was at Lauria's, Pastris showed him an 18-karat white gold diamond dome ring, which belonged to Claire Risoldi and was at Lauria's Jewelers being repaired. Palmieri was able to identify the ring as an item Claire Risoldi listed in her insurance claim with AIG as having been stolen during the fire at her residence on October 22, 2013.

Window Treatments, Summerdale Mills and Richard Holston

As noted above, replacement of the window treatments allegedly damaged in the fire has been a major point of contention in the 2013 claim. In fact, it was an issue in the 2009 and 2010 fire claims as well. The Risoldis now claim it will cost over \$2 million to replace the window treatments supposedly damaged beyond repair in the 2013 fire. We learned Claire Risoldi directed the disposal of the window treatments after the fire, which deprived AIG of the opportunity to verify the damage by inspecting them. She did this even though she had been told by O'Keefe to preserve the window treatments. We note that records and testimony about the exact sequence of events surrounding the disposal of the window treatments by the fabric vendor

Summerdale Mills are in conflict, but they are consistent with respect to the fact that Claire Risoldi gave the order knowing she had been asked to keep them until AIG could inspect them.

The Grand Jury heard testimony from Richard Holston, who told us he is the current owner of Philadelphia Draperies LLC d/b/a Summerdale Mills located at 8101 Frankford Avenue, Philadelphia, PA. Holston stated he has owned the business since January 2014 and that his brother-in-law, Abraham Reichbach, previously owned Summerdale Mills, which has been in business for over thirty-eight years. Summerdale fabricates draperies and upholstery. Prior to assuming ownership in 2014, Holston said he supervised the fabrication shop that was also responsible for the deliveries and pickups. We note that Claire Risoldi gave testimony on December 28, 2011 in connection with the 2010 claim, during which she used a similar story to explain a lack of records to support her \$1.2 million claim for window treatments. On that occasion she stated that Reichbach had sold Summerdale to his sister and departed for Russia, taking all the computer equipment with him. Corporate records obtained from the Pennsylvania Department of State are inconsistent with either of the scenarios put forth to explain the lack of records and we conclude they are not true.

In sworn testimony before this Grand Jury on September 16, 2014, Holston stated that, when he was in charge of the fabrication shop, he only produced draperies for the two childrens' rooms at Clairemont at a cost of approximately \$50,000. He explained he never actually knew the identity of the customer he was doing work for because the invoices he was given by Summerdale did not include that information to prevent piracy of clients.

Holston was ordered to produce records of all business conducted between Claire Risoldi, Tom French, Sheila Risoldi, Carl Risoldi, Carla Risoldi and Summerdale Mills including canceled checks, invoices and estimates for replacement of fabrics due to fires at 5781 Stoney

Hill Road, New Hope, PA. Holston responded to the above subpoena by supplying diagrams of fabrication documents prepared by an unknown individual. Holston failed to provide any canceled checks, invoices, or estimates, and stated that he had none of these. Holston stated that the hard drive on his computer failed in April, 2014, preventing a full response. Holston stated he sent the hard drive to a person in Florida, but was unable to provide any contact information to the Grand Jury. Holston indicated he had no access to bank accounts as his brother-in-law, Reichbach, controlled the accounts and did not permit Holston to have access even though Reichbach had supposedly turned the business over to him. Additionally, Holston testified his entire business had gone "paperless," therefore precluding his producing paper invoices due to the hard drive issues and computer failure. Although Holston admitted speaking to Reichbach a mere three days before appearing to testify, Holston claimed not to have discussed the drapes sold by Summerdale to Risoldi. Holston also claimed Summerdale was handwriting sales orders and "everything now." Holston stated that, since he took over the business, he has no knowledge of any other vendors his brother-in-law used for his jobs. According to Holston, Summerdale kept no hard copies of sales orders for themselves as any hard copies were given to the customers. On September 23, 2014, Holston produced additional documentation, which included items he previously testified he could not find. What he produced was still an incomplete record of Summerdale's transactions with the Risoldis.

On October 9, 2014, a search warrant was executed at Summerdale Mills, 8101 Frankford Avenue, Philadelphia, PA. Special Agents from the OAG and FBI observed business being conducted via an active computer system, directly contradicting Mr. Holston's sworn testimony. Numerous computers were discovered at Summerdale and seized pursuant to said warrant.

Further, numerous business records were recovered pertaining to work performed by Summerdale for the Risoldis since the first fire in 2009.

At various times during the pendency of the claims for the 2010 and 2013 fires, Claire Risoldi told O'Keefe she had none of the invoices for her purchases from Summerdale Mills because the paperwork had been destroyed in the fires. Following the 2010 fire she sought and was paid \$1.2 million for drapes. On October 14, 2014, Goldman delivered a binder to the OAG containing over 100 pages of documents and invoices for the drapes. The same binder was delivered to AIG in support of the Risoldi's claim. The mere existence of the documents in this binder contradicts Claire Risoldi's representations to AIG concerning her inability to produce paperwork related to the window treatments. Inspection of the documents revealed that many of them appeared to be fabricated or forged. The most glaring example of this is the misspelling of the name of the business that appears as "Summerdal" on many of the invoices.

It is clear to us Holston provided false testimony to this Grand Jury and has conspired with the Risoldi criminal enterprise to assist it in committing insurance fraud.

The Murals

Russell Buckingham is an artist who was commissioned by Claire Risoldi to paint murals of the Risoldi family in Romanesque style. The family can be seen on the ceiling of Clairemont resplendent in flowing robes gazing down from the heavens. Buckingham also performed work in Claire Risoldi's dining room. Buckingham testified his compensation was \$35,000 for the ceiling and \$15,000 for the dining room. Buckingham was contacted in February 2014 by Claire Risoldi to view Clairemont after the 2013 fire. Buckingham was subsequently commissioned to

paint portraits of the Risoldi grandchildren for the price of \$15,000. Buckingham received a \$5,000 check as down payment.

Risoldi had a telephone conversation with Buckingham regarding painting new murals at Clairemont when it was rebuilt and restored. Buckingham gave a quote of \$40,000 but Claire Risoldi told him to "make it for a lot more money" and suggested the figure of \$950,000 and Buckingham verbally agreed. Buckingham is unclear of the date of this conversation. Eventually, a written estimate in the amount of \$950,000 was submitted to AIG. In August 2014, Claire Risoldi again requested Buckingham to prepare false estimates for the work that Buckingham performed in 2011 in the amount of \$700,000. This estimate was also submitted to AIG.

In November, 2014, Carl Risoldi called Buckingham and requested that he meet them at their residence located at 4940 Danielle Drive. Buckingham complied and met with Claire Risoldi, Carl Risoldi, and Carla Risoldi. Again, the Risoldis requested that Buckingham prepare fraudulent receipts for the work he had done at Clairemont. The Risoldis requested that the false receipts be backdated and gave Buckingham different pens and different papers to use. Buckingham prepared five or six fake receipts for a total of \$620,000. Buckingham stated he did this because he believed the Risoldis to be his "friends". Also, Claire Risoldi stated to Buckingham, "the insurance company was killing her by not paying her" and that the Attorney General was investigating this claim. Buckingham testified that he received no money from the Risoldis for doing this and realized he did something wrong.

Additional Living Expenses

After the October of 2013 fire, the Risoldis insisted they were entitled to rent two separate houses pursuant to the additional living expenses ("ALE") coverage provided by their policy. The Risoldis tendered two signed and executed leases to AIG. AIG issued a check for three years of rental payments on two houses to the Risoldis. Specifically, Claire Risoldi presented O'Keefe with a lease for the property at 4940 Danielle Drive in Doylestown, PA on April 25, 2014. Claire Risoldi and Tom French had been living at this property since November 15, 2013. The stated term of the lease was November 15, 2013 until November 15, 2016, with a monthly rate of \$13,000.

Kevin Steiger, a Bucks County realtor, testified that after the October of 2013 fire at Clairemont he attempted to find rental properties for the Risoldis. He found a house for Carl Risoldi and his family located at 3719 Indian Springs Road in Buckingham Township. Steiger prepared the lease, which was actually only for one year, dated from October 27, 2013 until November 30, 2014. The rent was \$13,000 per month.

Steiger was unable to find a house for Claire Risoldi and Tom French immediately after the October of 2013 fire. However, Claire Risoldi later informed him she had moved into a house located at 4940 Danielle Drive in Buckingham Township. She also asked Steiger to prepare a lease for that property. Steiger prepared the lease on November 15, 2013 and then personally gave the lease to Claire Risoldi. He was not present when the lease was signed by the parties on April 13, 2014. The lease lists the landlord for 4940 Danielle Drive as Karl Morris and the tenants as Claire Risoldi and Carl Risoldi. The term of the lease was November 15, 2013 until November 15, 2016, with a monthly rate of \$13,000 for a total of \$468,000 for the full 36 month lease term. The house at 4940 Danielle Drive had been previously owned by Tina

Mazaheri. Claire Risoldi began renting the home when Mazaheri was still the owner. In March of 2014, Mazaheri sold the house to Morris.

Mazaheri testified that she is an attorney with a private practice focusing on family law and that she also has an appointed position as a Solicitor for Doylestown. She stated that she is close friends with Carla Risoldi, having known her for fifteen years. Mazaheri has known Carl Risoldi for the same amount of time and she explained that she first met the Risoldis when her children attended a pre-school that Carl Risoldi operated. She has known Morris as a friend of Carl Risoldi for about ten years and she knows Claire Risoldi through her friendship with Carla Risoldi.

Mazaheri stated that she and her husband James Oplinger were the owners of 4940 Danielle Drive at the time of the fire at Clairemont in October of 2013, having purchased it in 1999. They moved out of 4940 Danielle Drive in 2012, because they had purchased a new home. Unable to sell 4940 Danielle Drive, they rented it to a family that needed temporary housing until the middle of November 2013, after which the house was vacant. Claire Risoldi subsequently asked Mazaheri if she would rent her the home to live in with French while Clairemont was being restored and they agreed that the rent would be \$4,000 a month. Mazaheri rented the home to Claire Risoldi without a lease.

At some point after occupying 4940 Danielle Drive, Claire Risoldi advised Mazaheri that Morris would buy the house. According to Mazaheri, Claire Risoldi made all the arrangements for the transaction that culminated with Claire Risoldi providing the money to purchase the home for Morris. Claire Risoldi paid Mazaheri for the house with two checks in the amounts of \$105,000 and \$300,000 and still owes Mazaheri \$100,000. Mazaheri said that Claire and Carl Risoldi were present for the closing on the property. Mazaheri further testified that she is aware

that Claire Risoldi now owns at least two other homes on Danielle Drive and has expressed an intention to buy a fourth home. She is also aware that Carl and Sheila Risoldi currently live in one of Claire Risoldi's houses on Danielle Drive and was actually given a tour of the house by Claire Risoldi.

Mazaheri further testified that Claire Risoldi communicated with her a number of times during the last several weeks. Many of these contacts were blatant attempts to influence Mazaheri's testimony before this Grand Jury and are discussed in greater detail below. One incident is particularly relevant to the fraud regarding the ALE claim; Mazaheri told us that Claire Risoldi came to her home in the evening on Monday, November 24, 2014 and apologized for getting Mazaheri "pulled into this" and then asked her to say that she had rented 4940 Danielle Drive to her for \$12,000 a month. Mazaheri responded that she had rented the house for \$4,000 a month and that, as an officer of the court she would tell the truth. Claire Risoldi responded that the investigation of her conduct was politically motivated. When Mazaheri repeated her statement that, as an officer of the court she would tell the truth, Claire Risoldi flew into a rage and started cursing at her, disregarding the fact that Mazaheri's young children were there. Of course, not only had Claire Risoldi paid far less than \$12,000 a month to rent 4940 Danielle Drive, by November 24, 2014 she was not paying any rent at all to Mazaheri, because she had purchased the house in a sham transaction.

Special Agent Gomez testified based on his conversations with O'Keefe regarding the ALE portion of the policy. Claire Risoldi never communicated to AIG in any way that she had actually purchased the 4940 Danielle Drive property or that she had purchased it for Morris and was now renting it from him. Under the policy, Claire Risoldi would be entitled to purchase the property with money paid out by AIG rather than lease it. However, Claire Risoldi owes

complete transparency to AIG. After informing AIG that she was renting the property, Claire Risoldi never informed them that she actually purchased it, or purchased it for another person.

Carl Risoldi is under the same obligation of transparency. He submitted a lease to AIG for the Indian Springs Road address only. However, Carl Risoldi no longer resides there and is now living at 4871 Danielle Drive. He never informed AIG in any way of this move. The only action Carl Risoldi took regarding this move was to inform AIG that he did not spend a lot of time at the 3719 Indian Springs Road property, and that AIG should address correspondence to him at his mother's residence at 4940 Danielle Drive. He clearly wants to conceal his true address from AIG.

Bank Records

Cassandra Gillies testified regarding her review of records of bank accounts owned by the Risoldis dating back to the first fire in 2009. She determined that deposits to the accounts came almost exclusively from checks the Risoldis received from AIG for their claims. Gillies also reviewed records of expenditures from the same accounts, including checks written and wire transfers. This revealed significant expenditures for items other than restoration of Clairemont. For example, they spent approximately \$600,000 that was earmarked for the rental of two homes to occupy while Clairemont is being restored to purchase at least two homes by utilizing Morris as an apparent straw purchaser, as was discussed in greater detail in the previous section of this Presentment. Significant amounts have been expended by the Risoldis on renovating one of those homes, even though on paper, it does not belong to them. Agent Gomez testified about records, which showed that the Risoldis have spent approximately \$1 million on the purchase of exotic and antique cars, including a 1928 Rolls Royce that cost \$129,000, since October of 2013.

This diversion of money received from AIG is especially egregious given the fact that the Risoldis continue to tell AIG that they have insufficient funds to restore Clairemont. It is outrageous in the face of Claire Risoldi's complaints to the Insurance Commissioner that she is currently homeless as a result of the fire and has been forced to live in substandard rental housing.

November 7, 2014 Search Warrants

The Grand Jury heard evidence from Agent Gomez that search warrants were executed simultaneously at four separate locations in Bucks County, PA, on November 7, 2014. Safe deposit boxes owned by Claire Risoldi and Carl Risoldi were searched at Fox Chase Bank, 5871 Lower York Road, Lahaska, PA. Investigators were aware that Palmieri had examined jewelry owned by Claire Risoldi on August 14, 2014, at that location. The jewelry was stored in four safe deposit boxes at that time. Through her attorney, Claire Risoldi represented to Palmieri that this was her jewelry that was at Clairemont, but had not been stolen during the October 22, 2013, fire. During his August 2014 examination of the Risoldi jewelry, Palmieri noted that two unique rings purportedly stolen during a 1993 burglary at Claire Risoldi's residence were among the jewelry that he examined.

Agent Gomez testified that Fox Chase Bank records disclose that the Risoldi's maintained six safe deposit boxes at Fox Chase Bank which were opened in August, 2013, two months before the fire. An analysis of Fox Chase Bank records demonstrates that four of the six safe deposit boxes maintained by Claire Risoldi were closed on October 21, 2014, leaving only two remaining boxes. Agent Gomez further stated that, during the week of October 20, 2014, Evangelo Pastris, the current owner of Lauria's Jewelers was scheduled to appear before the

Grand Jury. The closure of the safe deposit boxes coincided with the scheduled appearance of Mr. Pastris. Agent Gomez determined that one of the two remaining safe deposit boxes contained jewelry and the other was empty. Since the jewelry Palmieri examined filled four boxes, it appears that a substantial amount of jewelry was removed from Fox Chase Bank after Palmieri's examination was conducted.

Agent Gomez stated that he reviewed a segment of the videotape of Palmieri's examination of the jewelry, in which Claire Risoldi stated that a particular bracelet being viewed by Palmieri was recovered under a bed after the October 22, 2013 fire. Agent Gomez testified he has seen a photograph of the bracelet and it clearly did not match the bracelet Claire Risoldi referred to in the video. The bracelet Claire Risoldi referred to in the video was far bigger and had more gems on it than the bracelet found under the bed. Agent Gomez made a comparison of the jewelry that had been examined, catalogued, and photographed by Palmieri. Based on this comparison, Agent Gomez concluded that, as suspected, a substantial quantity was missing when he conducted his search.

Agent Gomez testified that a search was conducted at 4723 Buckingham Pike, Doylestown, PA. Agent Gomez said that he and Special Agent Steve Gray of the FBI conducted a prior interview of Claire Risoldi at that location, at which time the interior was set up to appear to be a functioning law office. AIG had also conducted EUOs at this building. On November 7, 2014, this building contained residential furniture, but nothing consistent with an active law firm, despite signage outside indicating it was Carla Risoldi's law office. Further, a review of letterhead and fax coversheets for the Risoldi Law Office reveals this building is not listed as one of that business' locations.

Agent Gomez testified that a search was conducted of the Risoldi Law Office at 1508 Trenton Road, Langhorne, PA. Documents were recovered from this location pertaining to the 1993 claim made to Nationwide Insurance Company for the burglary alleged to have taken place at Risoldis' home at that time. Other documents recovered revealed that Claire Risoldi had made numerous other claims to insurance companies over the years.

A fourth search warrant was executed at 4940 Danielle Drive, Doylestown, PA, which is Claire Risoldi's present residence. This location is purportedly being rented by Claire Risoldi with funds provided by AIG, so she has a place to live while Clairemont is being restored. Agents conducting the search were greeted by Claire Risoldi who stated, "It is a conspiracy by the democrats against her; this is a political move." Claire Risoldi stated she would sue each agent individually for their actions. Eventually Claire Risoldi departed, leaving her husband Tom French behind. Among items recovered during this search was a necklace with a large blue stone surrounded by diamonds. An appraisal form indicating a value of \$154,640 was next to the necklace. These items were secreted in a credenza drawer in French's office behind a denim bag. Hidden on the floor behind a couch in French's office was a box containing 20 Rolex watches. The box and watches appear to be identical to those depicted in the August 14, 2014, video referred to above.

Five file cabinets containing paperwork were located in what was identified as Claire Risoldi's office. Among documents were checks for over \$100,000 written by Claire Risoldi to contractors who were working on the supposed "rental" property at Danielle Drive. A lease for the property was recovered as well as several other identical blank leases. Of particular interest was a book titled "Insult To Injury – Insurance Fraud And The Big Business Of Bad Faith." The

Risoldi sued Nationwide for bad faith in connection with the 1993 claim and they have recently filed a bad faith suit against AIG in connection with their current claim.

Agent Gomez testified he is aware Claire Risoldi directed letters to the Pennsylvania Department of Insurance alleging that she and her family were homeless as the result of the October, 2013 fire and living in substandard rental housing. Claire Risoldi alleged AIG was "cruel" and had cancelled her insurance policy. She went so far as to blame AIG for causing the fire by failing to properly police the electrician she had hired to make repairs of damage from the last fire. The reality is that Claire Risoldi and her family reside in a fully furnished house, while she is paying contractors hundreds of thousands of dollars to renovate it with custom stonework.

Gomez testified that, despite representations made by Claire Risoldi that she keeps all her jewelry at the bank, investigators recovered well over 25 boxes of jewelry from 4940 Danielle Drive. Agents also recovered blank appraisal forms of the exact type described by Palmieri in his testimony. Even though these forms had no appraisal information on them, they already had the signature of a purported appraiser. In addition, there were appraisal forms that were in the process of being fabricated in a folder containing what appeared to be a kit for creating appraisals. Perhaps the most startling discovery was the original appraisal forms that had been submitted by Claire Risoldi to the Lower Makefield Police in connection with the 1984 theft of jewelry. These appraisal forms all had the original values whited out and new values typed in. The typed in prices matched what was submitted to the Police. The Police received photocopies, on which the white-out was not visible. These items were recovered from file cabinets in Claire Risoldi's office.

Threats and Intimidation

As detailed above, we received testimony from O'Keefe regarding the interaction he had with Claire Risoldi on various dates while attempting to adjust the insurance claims brought by the Risoldi family stemming from the October 22, 2013 fire. O'Keefe testified he was at Fox Chase Bank, 5871 Lower York Road, Lahaska, PA, on August 14, 2014 for the inspection by Palmieri of jewelry the Risoldis had stored in safe deposit boxes. Claire Risoldi, Carl Risoldi, Claire Risoldi's attorney and Goldman were present.

Prior to entering the bank, O'Keefe and Palmieri were waiting in the bank parking lot with the others for Claire Risoldi to arrive. O'Keefe and Palmieri stated that, upon arrival, Claire Risoldi launched a profanity laced tirade directed toward O'Keefe. Claire Risoldi called O'Keefe a "rat bastard" and a "son-of-a-bitch" and "a lying sack of ..." She also said to him, "you went to the Attorney General." Claire Risoldi then turned to her attorney stating, "... tell Jim what happens to snitches." Her attorney replied, "snitches get stitches." Once inside the bank, it was noted by Palmieri that Carl Risoldi had a powerful hand-gun on his person.

We heard testimony there were other incidents involving efforts by Claire Risoldi to intimidate O'Keefe. O'Keefe testified that, on September 23, 2014, he received a telephone call from Claire Risoldi, which he memorialized in writing. Reading from his memo about the call, O'Keefe recounted Claire Risoldi told him she had a "mole" in the Attorney General's Office, so she knows "all about what is going on with the Grand Jury" and that she knows about his conversations with the prosecutors assigned to the case. She went on to tell him his attorneys would be disbarred, that she knows that he is going to be fired, she is going to sue him personally and that she will "bury" him. She included references to O'Keefe's father, as well as to one of the top executives at AIG in her tirade.

In October of 2014, O'Keefe received a fax from the law office of Carla V. Risoldi, Attorney-At-Law, dated October 16, 2014. The fax appeared to contain a handwritten note from Claire Risoldi demanding reimbursement from AIG for various items damaged in the October 2013 fire totaling \$527,900. The fax ends with the salutation from Risoldi, "Thank you Mr. O'Keefe and do have a blessed day. Remember karma, she's a bitch... as always Claire." In response to these incidents, AIG increased Mr. O'Keefe's security. Further, O'Keefe's local police department stepped up its patrols around the O'Keefe home.

Finally, we learned O'Keefe had received a voice-mail message from Claire Risoldi on November 3, 2014, which he also memorialized in writing. We reviewed O'Keefe's memo regarding the call, which contained the following account:

"She [Claire Risoldi] stated she 'did not know what kind of a bullshit story I am giving [my attorney], but something needs to be done about this. If I don't hear back from you I am going to call Mr. Peter Hancock tomorrow and tell him "what a fucking bunch of bullshit you got on, what you are doing with the AG's office and all the stuff you are doing because you are totally going to fall flat on your face because Mr. OKeefe I did nothing wrong, I did absolutely unequivocally nothing wrong. Okay, I did nothing wrong and you know it and I know it and you are trying to make a name for yourself but guess what, you are not going to make a name for yourself on my blood. You gave me seven million dollars to build a fifteen million dollar house. Oh, I forgot, you said my house was a step above a trailer park'.

'Shame shame on you Mr. OKeefe. I'm shame shaming you. Karma is going to come back and hit you and your family in the most horrible sad way. It's really sad what you are doing to your family. I don't know how you go to bed at night. I just, I can't figure it out, how you look people straight in the face and how you say the things you say, you don't know the real Claire

Risoldi and you don't know what she really did. Mr. O'Keefe I have never done anything wrong'."

We later learned that Claire Risoldi expanded her intimidation efforts to at least one other witness in this investigation. As recounted in the section regarding the ALE claim, Mazaheri was the recipient of a number of unwanted and improper contacts from Claire Risoldi, the clear intent of which was to intimidate Mazaheri and influence her Grand Jury testimony. Mazaheri testified that Claire Risoldi called her before she had even received a Grand Jury subpoena and spoke to her about an appearance before the Grand Jury that Claire Risoldi apparently anticipated. Claire Risoldi told her that someone might call her with questions about 4940 Danielle Drive. Following that communication, Claire Risoldi appeared at Mazaheri's home to ask her to give false testimony about the rental of 4940 Danielle Drive and had a cursing tantrum when Mazaheri refused.

Approximately two weeks before Mazaheri's appearance at the Grand Jury, she received a telephone call from Claire Risoldi and Carla Risoldi, who were on speakerphone. Claire Risoldi told Mazaheri that when this is all over she would take her to Jeweler's Row and buy her something nice. When Mazaheri turned down the rather obvious bribe, Carla Risoldi asked her why she would say no to free jewelry. The irony of the fact that a fraudulent stolen jewelry claim is a major part of this investigation is not lost on us.

According to Mazaheri, Claire Risoldi still owes her \$100,000 for the purchase of the house. When Mazaheri asked her when she would pay the balance, Claire Risoldi responded that she did not have the money and might be able to pay in January. We find that the fairly obvious subtext of this to be that Claire Risoldi will hold off on paying as another way to pressure Mazaheri into corroborating her story.

Mazaheri recalled that after the offer of jewelry by Claire and Carla Risoldi, the attorney that she retained to represent her before this Grand Jury called Carla Risoldi's office, where Claire Risoldi works as a receptionist. Following that, Claire Risoldi called and yelled accusations that Mazaheri was "bad-mouthing" her. In a very thinly veiled threat, she warned Mazaheri that she would get a transcript of Mazaheri's Grand Jury testimony. Mazaheri told us that Claire Risoldi's ongoing harassment left her feeling pressured, but that her resolve to tell the truth remained unshaken. We can only describe her demeanor before us as "visibly shaken", however we found her testimony to be credible. This impressed us given that fact that Claire Risoldi's efforts to intimidate her had reached a veritable crescendo.

The Criminal Enterprise

The evidence this Grand Jury received establishes that the Risoldis and their confederates engaged a concerted effort to advance a complex and diversified scheme to steal from AIG. They collectively committed a variety of frauds with respect to multiple discreet aspects of the claims. Examples of their activities in furtherance of their conspiracy are:

- They submitted suspect appraisals for jewelry that could not have been stolen in the manner that they all described to AIG and may not have even existed in the first place. How fortuitous for them that they managed to complete the process of increasing the coverage on the jewelry from a little more than \$100,000 to nearly \$11 million a mere 25 days before the fire.

- Claire, Carl and Carla Risoldi enlisted the assistance of the artist that painted their portraits in flamboyant murals on the ceilings of Clairemont to provide them with estimates and invoices for his work that were inflated ten-fold.

- Claire, Carl and Sheila Risoldi misappropriated money they received pursuant to the additional living expenses coverage and used it to engage in fraudulent real estate transactions for personal profit. The details of this scheme was fleshed out in detail by Mazaheri, who recounted that Claire Risoldi specifically asked her to make false statements about one of the purported rental properties to corroborate her story to AIG.

- With the assistance of Holston, The Risoldis aggressively pressed their \$2 million demand for the replacement of all window treatments at Clairemont. Claire Risoldi told AIG that she could not provide documentation regarding the window treatments because she had lost her copies of the paperwork in the repeated fires at Clairemont and Summerdale Mills had lost their copies due to changes in ownership. Holston attempted to corroborate Claire Risoldi's story with false testimony before this Grand Jury.

- Notwithstanding the representations of Claire Risoldi and Holston regarding the lack of documentation, in September of 2014 over 100 pages of invoices and other paperwork pertaining to the window treatments magically appeared. Goldman

personally delivered these documents, many of which were obviously fabricated, to the Attorney General's Office. These documents were also submitted to AIG in support of the claim.

- Goldman was by Claire Risoldi's side throughout the claim process. He is seen on the videotape of the August 2014 inspection of the jewelry at Fox Chase bank. He can be heard off camera verbally assisting Claire Risoldi when she harangues O'Keefe about needing \$15 million to restore Clairemont.
- Perhaps the most glaring example of the Risoldi's criminal enterprise was found in the various statements they provided to AIG in furtherance of the claim for jewelry. Claire, Carl, Carla and Sheila Risoldi, French and Goldman gave statements. Although there were many inconsistencies in the statements, they all agreed on the major points that were important to the claim; the jewelry was left on chairs in the front hallway of Clairemont, the jewelry was taken during the fire and the Risoldis told the first responders about it during the fire and were not permitted to enter the house to retrieve it. Sheila Risoldi was particularly adamant about this point when she recounted how a frantic Claire Risoldi was begging to be allowed to get the jewelry. French provided critical details about recovering the empty Risoldi Law Office bags. All of these points were contradicted and disproven by testimony and evidence that we have received. The major similarities in the stories and the way in which they fit together to support the fraudulent claim convinces us that the parties engaged in a collusive effort to mislead AIG.

- We are also convinced that the threatening conduct Claire Risoldi engaged in with respect to O'Keefe was done both to intimidate him as a witness in this investigation and in furtherance of their scheme to defraud AIG. Claire Risoldi's campaign of intimidation escalated to include multiple attempts to both threaten and bribe Mazaheri in an effort to influence her testimony before this Grand Jury. On at least one occasion she enlisted the assistance of Carla Risoldi.

Based on the totality of the facts uncovered in this investigation, we find that the quantity and quality of both the direct and circumstantial evidence leads us to the inescapable conclusion that the Risoldis, French, Goldman and Holston engaged in a coordinated course of conduct, the goal of which was to profit by defrauding AIG.