



Department of Justice

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INDIANAPOLIS BUSINESSMAN CHARGED IN BANK FRAUD

PRESS RELEASE

Timothy M. Morrison, United States Attorney for the Southern District of Indiana, announced that BRIAN SCOTT HOCKETT, 45, Indianapolis, Indiana, was charged Monday with bank fraud, following an investigation by the Federal Bureau of Investigation.

The Information alleges that from January 2003 through May 2006, HOCKETT was the owner of Family Management Corp., which did business in the Indianapolis area as Fleetmax, a wholesaler of used motor vehicles. In early 2002, HOCKETT established a line of credit for Fleetmax with National City Bank and Fifth Third Bank to provide working capital for Fleetmax. The line of credit was secured by Fleetmax's assets, including its inventory of motor vehicles. HOCKETT fraudulently diverted funds from the line of credit to buy stock, contrary to the express terms of the agreement with the banks. HOCKETT concealed his diversion of the line of credit from the banks by falsifying reports he filed with the banks, called "borrowing base certificates," to show that Fleetmax had more assets securing the line of credit than was actually available. The Information alleges that at one point the reports to the banks showed that Fleetmax had approximately \$12 million in assets available as security for the line of credit, when in fact there was only \$750,000 in assets available. After the banks discovered the fraud, and all of Fleetmax's assets were sold, the banks lost approximately \$2.4 million as a result of HOCKETT's fraud.

According to Assistant U. S. Attorney Winfield D. Ong, who is prosecuting the case for the government, HOCKETT faces a maximum possible prison sentence of 30 years and a maximum possible fine of \$1,000,000. An initial hearing will be scheduled for May 20, 2009 before a U.S. Magistrate Judge in Indianapolis, Indiana.

The information is an allegation only, and the defendant is presumed innocent unless and until proven guilty at trial or by guilty plea.

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