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FOR IMMEDIATE RELEASE**

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**GRAND JURY INDICTS FORMER WASHINGTON REDSKIN
FOR MULTIPLE FRAUD SCHEMES, ARSON, AND MONEY LAUNDERING**

GREENBELT, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced today that a federal grand jury has returned an indictment charging Ozzie Clay, 61, of Silver Spring, Maryland, with mail fraud, wire fraud, bankruptcy fraud, money laundering and arson offenses in connection with two fraud schemes and an intentional fire at a business formerly operated by Clay.

The 17-count indictment charges Clay, who once played for the Washington Redskins, with 13 felony offenses relating to his operation of Armorguard Manufacturing Company, Inc. ("Armorguard"), which manufactured and installed security doors and related home improvement products and services. Using various corporate entities, in 1999 Clay acquired the stock of Armorguard and Frager Bears, Inc. ("Frager Bears"), a Maryland corporation which owned property located in Temple Hills, Maryland where Armorguard's business was located. By 2000, Clay's business entities were declared in default on approximately \$1 million in loans extended to Armorguard and Frager Bears by SunTrust Bank and its predecessors; Armorguard had failed to pay

its federal withholding taxes; the Maryland Home Improvement Commission revoked Armorguard's state license to enter into home improvement contracts; and Armorguard's insurer cancelled its coverage. The indictment charges that during the first and second weeks of August 2000, Armorguard failed to make salary payments to its employees, and on August 14, 2000, a number of Armorguard employees walked off of their jobs because they were not getting paid. The following day, the indictment alleges, Clay caused a fire to be set at Armorguard, which caused extensive damage to the premises. The Prince George's County Fire Department investigated and determined that the sprinkler system had been deactivated, that ignitable liquid had been utilized in setting the fire, and that there were multiple points of origin for the fire.

The indictment alleges that Clay committed arson offenses, schemed to defraud SunTrust Bank, the insurer, and prospective purchasers of Clay's businesses, from whom he had solicited \$30,000 in deposits, and laundered the proceeds of the fraud scheme. The indictment charges Clay with two counts of mail fraud, four counts of wire fraud, and three counts of money laundering in connection with this scheme. The indictment contains two counts of bankruptcy fraud relating to Clay's filing of an allegedly fraudulent Chapter 11 bankruptcy action for Frager Bears.

The indictment also charges Clay with a separate fraud scheme, between 1999 and 2003, involving a scheme to defraud a mortgage company by using a nominee buyer to purchase a home Clay occupied in Silver Spring. The indictment alleges one count of mail fraud and one count of wire fraud in connection with the acquisition of the mortgage and the purchase of the real estate. It further charges two counts of bankruptcy fraud. The indictment alleges that when Clay and his nominee became delinquent on mortgage payments, Clay fraudulently sought to fend off foreclosure by transferring a portion of the property to a corporation he controlled and by placing the entity into

bankruptcy.

The indictment seeks forfeiture of \$50,000 of money laundering proceeds.

The maximum penalties for the charges set forth in the indictment include terms of imprisonment of five years (mail fraud, wire fraud and bankruptcy fraud), 10 years (money laundering) and 20 years (arson), along with a \$250,000 fine. The charge of committing arson to commit another felony carries a mandatory 10-year term of imprisonment, to run consecutive to any other sentence, and a \$250,000 fine. All counts provide for a period of supervised release following release from prison and mandatory restitution.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

The criminal charges in this indictment are the result of a joint investigation by the Bureau of Alcohol, Tobacco, Firearms and Explosives, and the United States Attorney's Office.

The case is being prosecuted by Assistant U.S. Attorneys Stuart A. Berman and James M. Trusty.