

such as **APPEL**. The campaign finance reports included descriptions, dates, and amounts for each individual contribution to and expenditure from a campaign's accounts. The campaign finance reports listed the total balance of a campaign's accounts at the end of the respective reporting period. Campaign treasurers affirmed the accuracy of these reports under penalty of perjury.

6. In or about 2019, **APPEL** became the treasurer of POLITICIAN 1's campaign committee.

7. As treasurer for POLITICIAN 1, **APPEL** filed periodic reports with the Maryland State Board of Elections of contributions and expenditures relating to POLITICIAN 1's campaign committee. **APPEL** also provided information to POLITICIAN 1 regarding the funds available to POLITICIAN 1's campaign.

8. COMMUNITY ORGANIZATION 1 promoted and organized tennis events in Anne Arundel County, Maryland.

9. **APPEL** was the treasurer of COMMUNITY ORGANIZATION 1.

Relevant Financial Institutions and Accounts

10. BankNewport, Capital One Bank, and Truist Bank were federally insured financial institutions, with headquarters located outside Maryland, which all qualified as financial institutions pursuant to 18 U.S.C. § 20.

11. In or about December 2017, **APPEL** opened a Visa Signature account at Capital One with an account number ending in 2819 ("**APPEL's** 2819 Account.") **APPEL** was the sole card holder on this account.

12. In or about May 2018, **APPEL** opened a bank account at Truist Bank with an account number ending in 6361 on behalf of COMMUNITY ORGANIZATION 1 (the "COMMUNITY ORGANIZATION 1 Account"). **APPEL** was a signatory on the COMMUNITY ORGANIZATION 1 Account.

13. In or about May 2018, **APPEL** had a checking account at Truist Bank with an account number ending in 1674 (“**APPEL’s** 1674 Account.”) **APPEL** was a signatory on this account, along with Individual 1.

14. In or about December 2019, **APPEL** was the primary account holder on a bank account at Truist Bank with an account number ending in 3681, which was listed in the name of Friends of POLITICIAN 1 (“POLITICIAN 1’s Account A”). **APPEL** and POLITICIAN 1 were signatories on POLITICIAN 1’s Account A.

15. In or about October 2020, **APPEL** opened a bank account at Truist Bank with an account number ending in 3657 in the name of APPEL FOR WARD 5 GOP COMPLIANCE (the “GOP COMPLIANCE Account”). The authorized signer on the account was listed as “APPEL FOR WARD 5,” but the signature card contained **APPEL’s** social security number and **APPEL’s** signature.

16. In or about February 2023, **APPEL** opened a money market account at Truist Bank with an account number ending in 5838 (“**APPEL’s** 5838 Account”). **APPEL** was the sole signatory on this account.

17. In or about November 2023, **APPEL** opened a line of credit account at Truist Bank with an account number ending in 7001 (“**APPEL’s** Line of Credit”). This line of credit was only in **APPEL’s** name.

The Scheme to Defraud

18. Beginning on or about April 1, 2023 and continuing through on or about the date of this Indictment, in the District of Maryland and elsewhere, the defendant,

JAMES PHILLIP APPEL,

knowingly devised and intended to devise a scheme and artifice to defraud **APPEL's** clients, including **POLITICIAN 1** and **COMMUNITY ORGANIZATION 1**, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises (“the scheme to defraud”).

The Purpose of the Scheme to Defraud

19. The purpose of the scheme to defraud was for **APPEL** to personally enrich himself by fraudulently obtaining funds belonging to others, including **POLITICIAN 1's** campaign organization and **COMMUNITY ORGANIZATION 1**, through **APPEL's** use of his trusted positions.

Manner and Means of the Scheme to Defraud

It was part of the scheme to defraud that:

20. Beginning in or about April 2023 and continuing until in or about October 2023, **APPEL** sought a loan through BankNewport to finance the purchase of a Pacific Mariner 65 Motoryacht. BankNewport requested financial information from **APPEL**. Eventually, **APPEL's** loan application was declined. **APPEL** obtained financing from another financial institution.

21. On or about May 11, 2023, **APPEL** opened a bank account of Truist Bank with an account number ending in 1893 in the name of “Friends of **POLITICIAN 1**” (“**POLITICIAN 1's** Account B”). Unlike **POLITICIAN 1's** Account A, **APPEL** was the sole designated representative on **POLITICIAN 1's** Account B.

22. In or about May 2023, **APPEL** transferred \$100,000 from **POLITICIAN 1's**

Account A to POLITICIAN 1's Account B.

23. In or about April 2024, **APPEL** contacted BankNewport about refinancing the loan for the Pacific Mariner 65 Motoryacht owned by **APPEL** and Individual 1. BankNewport advised **APPEL** that he would need to provide information about his assets, including the balances in his bank accounts.

24. In or about May 2024, **APPEL** transferred campaign funds from POLITICIAN 1's Account B into the GOP COMPLIANCE Account. and eventually into **APPEL's** personal financial accounts.

25. In or about May 2024, **APPEL** used campaign funds that had been transferred from POLITICIAN 1's Account B to the GOP COMPLIANCE Account to pay part of an outstanding balance on **APPEL's** Line of Credit.

26. On or about May 13, 2024, **APPEL** transferred \$40,000 from POLITICIAN 1's Account B to the GOP COMPLIANCE Account.

27. On or about May 13, 2024, **APPEL** transferred \$20,000 from the GOP COMPLIANCE Account to **APPEL's** 2819 Account.

28. On or about May 13, 2024, **APPEL** transferred \$40,000 from the GOP COMPLIANCE Account to pay part of the outstanding balance of **APPEL's** Line of Credit.

29. On or about May 30, 2024, **APPEL** transferred \$60,000 from POLITICIAN 1's Account B to the GOP COMPLIANCE Account.

30. On or about May 30, 2024, **APPEL** transferred \$60,000 from the GOP COMPLIANCE Account to **APPEL's** 1674 Account.

31. On or about June 5, 2024, **APPEL** transferred \$100,000 from the COMMUNITY ORGANIZATION 1 Account to the GOP COMPLIANCE Account.

32. On or about June 5, 2024, **APPEL** transferred \$100,000 from the GOP

COMPLIANCE Account to **APPEL's** 5838 Account.

33. On or about June 5, 2024, **APPEL** emailed BankNewport regarding a refinancing loan for the Pacific Mariner 65 Motoryacht, writing: "I will be able to pull [bank] statements dates 6/18 and 6/22 for our checking account and [money market account] and they will show balances of 70k and 100k."

34. In or about August 2024, **APPEL** submitted false and fraudulent information about **APPEL's** assets to BankNewport.

35. In or about August 2024, **APPEL** prepared, signed, and submitted a false and fraudulent campaign report to the Maryland Board of Elections. This report falsely inflated the total balance of POLITICIAN 1's campaign accounts.

36. In or about January 2025, **APPEL** prepared, signed, and submitted a false and fraudulent campaign report to the Maryland Board of Elections. This report falsely inflated the total balance of POLITICIAN 1's campaign accounts.

37. In or about January 2026, **APPEL** prepared, signed, and submitted a false and fraudulent campaign report to the Maryland Board of Elections. This report falsely inflated the total balance of POLITICIAN 1's campaign accounts.

38. In or about 2026, **APPEL** falsely and fraudulently represented the status and amount of COMMUNITY ORGANIZATION 1's assets to its board members.

THE CHARGES

39. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendant,

JAMES PHILLIP APPEL,

for the purpose of executing and attempting to execute the scheme and artifice to defraud described above, did knowingly transmit and cause to be transmitted in interstate commerce by means of wire communication, certain writings, signs, signals, pictures, and sounds, as set forth below:

COUNT	APPROXIMATE DATE	DESCRIPTION	INTERSTATE WIRE COMMUNICATION DETAILS
1	May 13, 2024	Initiating a \$40,000 transfer from POLITICIAN 1's Account B to GOP COMPLIANCE Account	From Maryland to a location outside of Maryland
2	May 30, 2024	Initiating a \$60,000 transfer from POLITICIAN 1's Account B to GOP COMPLIANCE Account	From Maryland to a location outside of Maryland
3	June 5, 2024	Initiating a \$100,000 transfer from COMMUNITY ORGANIZATION 1's Account to GOP COMPLIANCE Account	From Maryland to a location outside of Maryland

18 U.S.C. § 1343
18 U.S.C. § 2

COUNTS FOUR THROUGH SIX
(Money Laundering)

1. Paragraphs 1-17 of Counts One through Three are realleged here.

THE CHARGES

2. On or about the dates set forth below, in the District of Maryland and elsewhere, the defendant,

JAMES PHILLIP APPEL,

did knowingly engage and attempt to engage in the following monetary transactions by, through, and to a financial institution, affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, that is the transfer of the funds listed below, such property having been derived from a specified unlawful activity, namely wire fraud:

COUNT	APPROXIMATE DATE	APPROXIMATE AMOUNT	DESCRIPTION
4	May 13, 2024	\$40,000	Transfer from GOP COMPLIANCE Account to APPEL's Line of Credit
5	May 30, 2024	\$60,000	Transfer from GOP COMPLIANCE Account to APPEL's 1674 Account
6	June 5, 2024	\$100,000	Transfer from GOP COMPLIANCE Account to APPEL's 5838 Account

18 U.S.C. § 1957

18 U.S.C. § 2

FORFEITURE ALLEGATION

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Fed. R. Crim. P. 32.2, notice is hereby given to the defendant that, in the event of the defendant's conviction on any of Counts One through Six of this Indictment, the United States will seek forfeiture as a part of any sentence in accordance with 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853(p), and 28 U.S.C. § 2461(c).

Wire Fraud Forfeiture

2. Upon conviction of any of the offenses alleged in Counts One through Three of this Indictment, the defendant,

JAMES PHILLIP APPEL,

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offenses.

Money Laundering Forfeiture

3. Upon conviction of any of the offenses alleged in Counts Four through Six of this Indictment, the defendant,

JAMES PHILLIP APPEL,

shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), any property, real or personal, involved in such offenses, or any property traceable to such property.

Substitute Assets

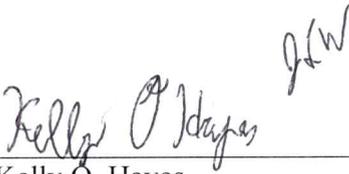
4. If, as a result of any act or omission of the defendant, any of the property described above as being subject to forfeiture:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;

- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be subdivided without difficulty;

the United States shall be entitled to forfeiture of substitute property up to the value of the forfeitable property described above pursuant to 21 U.S.C. § 853(p) and 28 U.S.C. § 2461(c).

18 U.S.C. § 981(a)(1)C)
21 U.S.C. § 853(p)
28 U.S.C. § 2461(c)



Kelly O. Hayes
United States Attorney

A TRUE BILL:

SIGNATURE REDACTED

Foreperson

Date: March 26, 2026