

1544

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA)	
)	Criminal No. 15-212
v.)	(18 U.S.C. §§ 152(1),
)	152(3), and 157(3))
ABIGALE LEE MILLER)	

INDICTMENT

Introduction

The Bankruptcy Process

1. A voluntary bankruptcy case is begun by the filing of a bankruptcy petition, and the person who files that petition is a "debtor" under federal bankruptcy law. The process is conducted in a federal court and is governed by the United States Bankruptcy Code, which is found in Title 11 of the United States Code.

2. Upon the filing of a bankruptcy petition, a debtor is required by law to fully disclose his or her financial circumstances, including, among other things, assets, liabilities, income from prior years, and any anticipated increase in income. Assets include real, personal, tangible and intangible property, whether the asset is held in the debtor's name or held in the name of another person or entity on behalf of the debtor. A bankruptcy "estate" is created upon the filing of a bankruptcy petition. It is a collective reference to all legal or equitable interests of the debtor in property at the

time of the bankruptcy filing. The estate includes all property in which the debtor has an interest, even if it is owned or held by another person.

3. The financial circumstances of the debtor are disclosed to the bankruptcy court by the debtor in a series of bankruptcy forms called the "Schedules of Assets and Liabilities," and on a separate bankruptcy form called a "Statement of Financial Affairs." These forms are signed by the debtor under penalty of perjury.

4. If a bankruptcy trustee is assigned to the bankruptcy case, he or she is responsible for the administration of the debtor's bankruptcy estate, including the identification and liquidation of assets and the distribution of proceeds to creditors. All debtors are required to attend a Section 341 Meeting of Creditors, at which the debtor is placed under oath by the bankruptcy trustee and questioned about his or her financial affairs, including, but not limited to, the bankruptcy petition, the Schedules of Assets and Liabilities, and the Statement of Financial Affairs.

5. A Petition filed under Chapter 11 of the United States Bankruptcy Code is commonly referred to as a "reorganization bankruptcy." The Chapter 11 reorganization petition permits the debtor to stay in possession of, and operate the business, while proposing a plan to reorganize and repay creditors. As the

"debtor in possession" of the bankruptcy estate, the debtor also acts as a fiduciary over, and trustee to, the bankruptcy estate and business, and necessarily assumes the legal obligations of a fiduciary. In exchange, the debtor receives the benefit of protection of the bankruptcy court, including stays from creditors seeking to recover debts, so long as the debtor behaves honestly in making representations regarding the debtor's finances.

6. The chief method by which the debtor must apprise the court and creditors of the condition of the business is through a monthly filing known as the Monthly Operating Report (hereafter, MOR). The MOR is a written report to the creditors and the U.S. Trustee detailing important information about the debtor's business operations, so that creditors and the bankruptcy court can determine the likelihood of a successful reorganization of the business, and repayment of debts. It is made by the debtor under sworn declaration subject to penalty of perjury, and attests that the debtor has examined the report, and that the documents are "true, correct and complete."

7. In the MOR, the debtor must detail all income received for the month, expenses incurred, and profits, and make projections for income, debts and profits for the upcoming month. The debtor is required to attach to the MOR all financial reports of the business, which includes bank account statements.

8. The debtor is also required to create a "debtor-in-possession" (DIP) bank account, into which the debtor must make deposits of business income, and pay expenses. The DIP account enables creditors and the Trustee to confirm the accuracy of the debtor's MOR statements.

9. Before the bankruptcy court can approve a proposal by the debtor to reorganize the business and repay debts, a debtor in a Chapter 11 reorganization must file a written disclosure statement (hereafter, Disclosure Statement), a Summary of the Plan (hereafter, Summary) and a Plan of Reorganization (hereafter, Plan). These documents collectively provide material information to creditors and the Trustee concerning the assets, liabilities and business affairs of the debtor sufficient to enable a creditor and the bankruptcy judge to make an informed judgment about the debtor's Plan of Reorganization. Although not made under sworn declaration by the debtor, these filings necessarily reflect representations made by the debtor concerning the true nature of the business affairs of the debtor.

10. Once the Plan is submitted, the bankruptcy court must determine whether, based upon the information contained within the Plan, Summary and Disclosure Statement, it is satisfied that the debtor has complied with the requirements of the bankruptcy code, that the Plan is feasible, and has been proposed in good

faith. A creditor or party may object to the Plan also. If the Plan is accepted, it is then confirmed, and the debtor is then granted a discharge in bankruptcy, and a discharge of the business debt.

Abigale Lee Miller's Bankruptcy Petition

11. On December 3, 2010, the debtor and the defendant, ABIGALE LEE MILLER (hereafter, the "debtor" or "MILLER"), filed a Chapter 11 petition for reorganization in bankruptcy as an individual. She identified four sole proprietorships which she operated: the Abby Lee Dance Co.; Maryen Lorrain Dance Studio; The Dressing Room; and the Tight Spot. She identified her occupation as a "dance educator." Foremost among her debts, she reported a mortgage loan held by secured creditor PNC Bank for the Dance Studio which totaled \$96,802, and a secured mortgage loan held by Chase Finance for a home in Florida which totaled \$200,000. She reported unsecured priority tax claims from Penn Hills School District and Allegheny County which totaled \$27,204.03, and unsecured non-priority claims of \$32,460.36. Her liabilities totaled \$356,466.52.

12. She claimed a fair market value of \$150,000 for each piece of real estate, personal property totaling \$25,528.56, and total assets of \$325,528.56. In her Proof of Income, she reported that she was "self-employed" and "collects \$8,899.00 monthly."

13. As directed by the bankruptcy court, MILLER created a "debtor in possession" (hereafter, DIP) bank account at S&T Bank in Pittsburgh, into which all income earned by the debtor was to be deposited, and from which business related expenses were to be paid. At all times material to this Indictment, MILLER was represented by bankruptcy counsel known to the grand jury as "D.C." and "D.V." (not defendants herein).

14. Based upon representations made in the Second Amended Plan she filed in January, 2013 regarding her assets, MILLER was discharged from bankruptcy on December 31, 2013.

15. As part of the Plan, MILLER restructured a significant amount of pre-petition debt owed to secured creditors PNC Bank and Chase Home Finance, and she also received the significant legal benefit of stays from execution against her Penn Hills dance studio, and from other efforts by creditors to collect debts.

16. However, as set forth in this indictment, the Second Amended Plan was approved by the bankruptcy court despite the fact that MILLER knowingly concealed from the Trustee, creditors and the Court a substantial amount of business income which she earned from her appearances as the featured performer on the reality television program "Dance Moms," and related spin-off TV programs, as well as income she earned from Masterclass dance

events and online merchandise sales from Abby Lee Dance
Company.com.

COUNT ONE

The grand jury charges:

Introduction

17. The United States incorporates by reference the allegations in paragraphs 1-16 as though set forth at length herein.

18. Approximately four months after she filed her petition in bankruptcy, on or about April 8, 2011, MILLER signed a "Participatory Agreement" (hereafter, Agreement) with Los Angeles based television show producer Collins Avenue Entertainment, LLC (hereafter, Collins Avenue) to appear in several episodes of a reality TV show for a per episode 'talent fee'. The program was to be aired on Lifetime Television, a brand of A&E Network (hereafter, A&E), and was about "a dance studio, the patrons and their moms." The television pilot was later called "Dance Moms" and the featured performer was the defendant. The Agreement called for MILLER'S on-air talent fees and other show related expenditures incurred by MILLER to be paid by Collins Avenue directly to MILLER, and allowed for A&E to exercise options to renew the Agreement for additional Dance Moms series based upon the success of the show.

19. As Dance Moms gained popularity in 2011, MILLER then negotiated and signed a Renewal Agreement with A&E in October, 2011, in which she agreed to receive significantly greater

talent fees, and which projected the production of additional Dance Mom TV episodes into early 2012. For example, talent fees to MILLER could be as high as \$15,000.00 per episode for the fourth term of Dance Moms.

20. In 2012, A&E ordered and MILLER agreed to second and third term Renewal Agreements for additional Dance Moms series episodes. She also signed a "Binding Deal Term Sheet" in July, 2012, with A&E for the production of episodes for a spin-off TV show called "Abby's Ultimate Dance Competition."

21. By December 14, 2012, MILLER had negotiated multiple Renewal Agreements with A&E for multiple episodes of Dance Moms and related spin-off TV shows to be produced by Collins Avenue through June, 2013, with talent fees as high as \$25,000.00 per episode for spin-off TV shows.

22. On February 24, 2012, MILLER filed her first Plan of Reorganization, in which she proposed to restructure the secured loans on terms favorable to her, and to repay unsecured creditors over 6 years, with no post-petition interest payments.

23. In the Disclosure Statement, MILLER stated that she "will receive income from a reality show to fund the Plan." MILLER denied that any contracts existed for the show, and also stated that she was "not guaranteed an increase in income from the show for additional seasons", and that the show income was "volatile."

24. On March 29, 2012, the U.S. Trustee filed an objection to the Plan and Disclosure Statement, and expressed concerns that the Plan contained inadequate information regarding the debtor's income for the court to make a determination as to whether the debtor could fund the Plan.

25. On August 27, 2012, MILLER filed an Amended Plan of Reorganization, in which she proposed to relinquish her interest in the Florida home secured by a mortgage held by creditor Chase Finance. MILLER, however, did not modify Plan repayment terms for other creditors differently than she proposed in the original Plan. In her Disclosure Statement, MILLER admitted to being in negotiations for additional episodes of the "reality TV show", but again denied the existence of TV show contracts, and stated that future TV show income was not guaranteed.

26. On October 12, 2012, the Bankruptcy court convened a hearing on debtor's Amended Plan and Disclosure Statement filed August 27, 2012. The court, unaware of unreported TV show revenue and contracts negotiated by MILLER, approved the Amended Disclosure Statement, and scheduled a Plan Confirmation hearing for December 20, 2012, in anticipation of granting MILLER a discharge in bankruptcy.

27. However, on December 13, 2012, shortly before the scheduled Plan confirmation hearing, the Bankruptcy Judge, the Honorable Thomas P. Agresti (hereafter, Court), abruptly entered

an order *sua sponte* and cancelled the hearing. The Court ordered that the debtor file a "[s]upplement in Support of a Chapter 11 Plan which contains any contracts entered into, income received, and future income to be received by the debtor related to her involvement in any reality television programs. The Supplement shall separately itemize any expected or anticipated income from the operation of her dance studio."

28. On or about January 3, 2013, MILLER then provided to her bankruptcy counsel, 49 TV show payroll and other income checks from Collins Avenue which totaled approximately \$288,137.57 of unreported TV show income earned by MILLER in 2012.

29. On January 18, 2013, MILLER filed a Second Amended Plan of Reorganization, Summary and Disclosure Statement, in which MILLER now proposed, in variation from the original Plan, to pay unsecured creditors immediately in full, as opposed to the earlier Plans which proposed a 6 year repayment schedule. The Court scheduled a Status Conference hearing on the Second Amended Plan for February 1, 2013.

30. On February 1, 2013, the Status Conference hearing was convened by the Court. Counsel and MILLER attended. In a terse exchange between the court and bankruptcy counsel, the Court expressed serious concerns about the debtor's lack of good faith

and full disclosure regarding her television show contracts, and income. The Court stated:

"All of a sudden \$288,000 appears in counsel's bank account, amended plans are filed, 100% to unsecured creditors. But back in December we went through a plan confirmation hearing and there wasn't one word about the new contracts and the monies. And if it wasn't for me channel surfing one night and seeing Abigale Miller's Ultimate Dance Competition on one of the TV stations, and how—the American Idol with judges and Ms. Miller being on TV, and then seeing some ads for The Maniac is Back, I realized that there's an awful lot of money coming into this plan, this case, and it hasn't been disclosed."

31. Bankruptcy counsel "D.C." responded that he was unaware of the existence of any contracts reflecting TV show revenue for MILLER, and that he was previously unaware of the existence of the \$288,137.57 given to him by MILLER and recently deposited into his escrow account.

32. At one point during the conference, MILLER exclaimed that *"I didn't even know about them"* in response to the Court's question to D.C. regarding her knowledge of the existence of the TV show contracts. The Court stressed that *"the problem here is the fact that it looks to the Court that she was hiding the ball, and until she got caught, we wouldn't have known about this."*

33. The Court admonished MILLER, and stated:

This is an honor system. You know, I can't be—if it wasn't for me just sitting down and channel surfing one night and coming across it, I would have never thought—I would have just—your plan ostensibly would

have never been revised, amended, and you would have sought to get the ballots in place for the-that were deficient back in December...and the Debtor would have \$288,000, at least, in her pocket that wasn't disclosed to the court."

34. Following the status conference, on February 4, 2013, the Court entered an Order in which he explained his reason for cancelling the December confirmation hearing. The Court stated that approximately 1 week before the confirmation hearing, "the Court in its free time saw a commercial advertising a new season for the television show, which raised concerns as to whether full disclosure had been provided as to the Debtor's financial situation." The Court noted in its Order that in the Second Amended Plan and Disclosure Statement, the debtor "for the first time disclosed the existence of the "Binding Deal Term Sheet was revealed, and in which unsecured creditors were now projected to be paid in full immediately, rather than over five years." The Court expressed concern, "about the Debtor's good faith and fulfillment of her duty to disclose..."

35. The Court ordered MILLER to provide by February 18, 2013, a Report of information regarding all compensation paid to the debtor for the previous 12 months, the identification of all bank accounts other than the DIP account, copies of checks, and payments to attorneys and fee agreements.

36. However, in knowing disregard of the Court's Order of February 4, 2013, and unbeknownst to creditors, the Trustee, and

the Court, MILLER continued to conceal and attempted to conceal significant sums of business income which she earned from her appearances on the TV shows, in addition to income she later earned from the performance of fee-paid Masterclass dance sessions, and internet sales of dance apparel through AbbyLeeDanceCompany.com, in derogation of her obligations as the fiduciary, to act in good faith, and to make full disclosure of income to the Court.

The Scheme and Artifice to Conceal TV Show Income

37. The United States incorporates by reference the allegations in paragraphs 17-36 as though set forth at length herein.

38. Beginning in and around April, 2011, and continuing thereafter until in and around January, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, having devised or intending to devise a scheme or artifice to defraud and for the purpose of executing or concealing such a scheme or artifice or attempting to do so, did make a false or fraudulent representation, claim, or promise concerning or in relation to a proceeding under Title 11, at any time before or after the filing of the petition, that is, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed at docket number 10-28606 TPA, concealed and attempted to conceal income earned by her through contractual Agreements with Collins Avenue and the A&E Network from her on-air television show performances in 'Dance Moms' and related spin-off TV shows.

39. It was the scheme and artifice to defraud the creditors, the U.S. Trustee, and the bankruptcy court, that MILLER concealed TV show income she earned by both not reporting, or under reporting actual and projected income, from monthly operating reports and attachments, and court filings.

40. It was further a part of the scheme and artifice to defraud that in the debtor's interview held on December 14, 2010, MILLER misrepresented to the Trustee that the Lifetime TV Network would film the studio for a new reality TV show that may bring added publicity to the studio, "but no separate TV revenue."

41. It was further a part of the scheme and artifice to defraud that MILLER instructed Collins Avenue to withhold TV show paychecks for income she earned in 2012.

42. It was further a part of the scheme and artifice to defraud that MILLER concealed from the Court approximately \$288,137.57 in TV show revenue which she earned between January, 2012 and December, 2012.

43. It was further a part of the scheme and artifice to defraud that MILLER caused bankruptcy counsel to make misleading and false statements to the Court at a Status Conference and other court hearings regarding her current and projected income, and the existence of TV show contracts.

44. It was further a part of the scheme and artifice to defraud that MILLER concealed information regarding her actual and projected TV show income from persons who assisted her in preparing the MORs.

45. It was further a part of the scheme and artifice to defraud that MILLER concealed TV show income, and made deposits

of income into undisclosed Wells Fargo accounts she created in July and September, 2012, rather than depositing the income as required into the S&T DIP.

46. It was further a part of the scheme and artifice to defraud that MILLER caused bankruptcy counsel to file false and misleading information in Plans, Disclosure Statements and Summaries, and other bankruptcy court filings which both concealed and grossly underreported current and projected business income.

47. It was further a part of the scheme and artifice to defraud that MILLER concealed from the Court the Participatory Agreement, Renewal Agreements, Binding Deal Term Sheet and related Talent Services Agreements, and caused the filing of false and misleading MORs, Plans and Disclosure Statements, which filings denied the existence of any contracts for TV show revenue, and which contained language which asserted that TV show revenue was unpredictable or "volatile," when in truth and in fact, the Agreements detailed increasingly greater talent fees.

48. It was further a part of the scheme and artifice to defraud that MILLER concealed that she retained an attorney in Pittsburgh to create two Florida subchapter S corporations named "No More Tears Production" and "Abby Lee Enterprise", into which

MILLER schemed to funnel, divert, and conceal TV show revenue, and dance apparel revenue.

49. It was further a part of the scheme and artifice to defraud that MILLER concealed that she instructed Collins Avenue to prepare show paychecks payable to her subchapter S corporations and to divert income into the undisclosed subchapter S corporations.

50. It was further a part of the scheme and artifice to defraud that MILLER, in her Original and Amended Plans of Reorganization, negotiated and restructured the mortgages on her Penn Hills dance studio held by PNC Bank, and her Florida home mortgage held by Chase Finance with terms favorable to her, based upon false and misleading information contained in the Plans and Plan documents, which concealed the true financial condition of her business and which concealed contractually agreed upon TV show income.

51. It was further a part of the scheme and artifice to defraud that on or about February 1, 2013, MILLER falsely asserted to the bankruptcy judge that she never saw the TV show contracts.

52. It was further a part of the scheme and artifice to defraud that in order to conceal her TV show income, MILLER directed Collins Avenue to pay approximately \$51,800.00 of MILLER'S TV show talent fees to her mother, Maryen Miller, which

funds MILLER deposited into a Wells Fargo account ending in account number 6593, and which funds MILLER used for personal and business expenses, contrary to representations MILLER made in the Debtor's Report that the account was used "to write checks and pay bills for her aging mother."

53. It was further a part of the scheme and artifice to defraud that MILLER concealed income when she directed Collins Avenue to pay third-party vendors directly for MILLER'S personal and business expenses, rather than to receive reimbursement checks from Collins.

54. It was further a part of the scheme and artifice to defraud that MILLER concealed a Collins Avenue check dated January 31, 2013, in the amount of \$50,000.00 made payable to Reign Dance Productions for "studio improvements", which MILLER did not deposit into the S&T DIP account until December 31, 2013, the date of discharge from bankruptcy.

55. It was further a part of the scheme and artifice to defraud that MILLER negotiated and cashed Collins Avenue payroll and other TV income checks at financial institutions, which funds were not deposited into the S&T DIP account.

56. It was further a part of the scheme and artifice to defraud that MILLER concealed the retention of and payment of approximately \$77,000.00 in legal fees to an entertainment attorney known to the grand jury as "B.R." (not a defendant

herein), who negotiated terms of the Renewal Agreements and other TV show revenue contracts with MILLER.

In violation of Title 18, United States Code, Section 157(3).

COUNT TWO

The grand jury further charges:

57. The United States incorporates by reference the allegations in paragraphs 17-36 as though set forth at length herein.

INTRODUCTION

58. In addition to revenue earned from her television show performances, MILLER earned substantial business revenue in 2012 and 2013 from ticket sales for Masterclass dance events hosted by MILLER, which were performed by Abby Lee Miller Dance Studio students at locations throughout the United States, and at other dance studios, and from the sale of Abby Lee Miller apparel.

59. Masterclass show attendees either purchased tickets in advance through online ticket merchant Showclix, Inc. (hereafter, Showclix), or paid cash "at the door", or paid by credit/debit transactions processed through Square.com. Additionally, attendees could purchase Abby Lee Miller apparel and merchandise at the shows by cash, or credit/debit cards.

60. As set forth below, MILLER determined to conceal from creditors, the Trustee, and the Court, income she earned from Masterclass dance class sessions, which MILLER referred to as "Showclix", and Abby Lee Miller Dance Company apparel and merchandise sold online at AbbyLeeDanceCompany.com (hereafter

ALDC.com), and at Masterclass dance sessions and other dance events.

The Scheme to Conceal Masterclass and
AbbyLeeDanceCompany.com income

61. Beginning in and around October, 2012, and continuing thereafter until in and around October, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, having devised or intending to devise a scheme or artifice to defraud and for the purpose of executing or concealing such a scheme or artifice and attempting to do so, did make a false or fraudulent representation, claim, or promise concerning or in relation to a proceeding under Title 11, at any time before or after the filing of the petition, that is, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed at docket number 10-28606 TPA, concealed and attempted to conceal income she earned from dance programs known as "Masterclass" dance sessions, and income she earned from internet sales at ALDC.com, and on-site Masterclass dance session sales of Abby Lee Miller Dance Company apparel, as follows:

62. It was a part of the scheme and artifice to defraud that in and around September, 2012, MILLER entered into a joint venture agreement with a person known to the grand jury as "M.M." (not a defendant herein), for the purpose of producing

and selling Abby Lee Miller dance apparel online through ALDC.com, and on-site at Masterclass dance events.

63. It was further a part of the scheme and artifice to defraud that in order to conceal joint venture and TV show revenue, MILLER directed M.M. to open a bank account at Wells Fargo Bank ending in account number 7083, into which she concealed and deposited Masterclass dance session and joint venture revenue. Contrary to representations made in the Debtor's Report filed on February 28, 2013, this account also contained TV show revenue not reported on the MORs, from which MILLER withdrew \$40,000 on February 28, 2013, and deposited the funds into the joint account with Maryen Miller.

64. It was further a part of the scheme and artifice to defraud that MILLER created an account at PayPal ending in account number 8995, into which she concealed and deposited revenue from ALDC.com sales of Abby Lee Miller apparel, and which account she linked to Wells Fargo account 7083 to conceal the income.

65. It was further a part of the scheme and artifice to defraud that MILLER concealed the existence of a Square, Inc., account ending in account number 7780, into which she deposited same day Masterclass ticket sales and same day event apparel sales.

66. It was further a part of the scheme and artifice to defraud that MILLER concealed significant cash receipts she earned from Masterclass dance sessions and apparel sales at Masterclass dance events.

67. It was further a part of the scheme and artifice to defraud that MILLER concealed Wells Fargo and PayPal account information from the MORs and bankruptcy court filings.

68. It was further a part of the scheme and artifice to defraud that MILLER instructed persons who assisted her and prepared bankruptcy filings such as the MORs and Accountings to conceal certain types of business income from the bankruptcy court, including Showclix and joint venture ALDC.com income.

69. It was further a part of the scheme and artifice to defraud that MILLER instructed others that "Showclix" and ALDC.com revenue was "my income," and was not to be disclosed to the bankruptcy court.

70. It was further a part of the scheme and artifice to defraud that MILLER instructed her accountant known to the grand jury as "K.M." (not a defendant herein) to conceal the existence of the Florida subchapter S corporations from bankruptcy counsel.

71. It was further a part of the scheme and artifice to defraud that on March 29, 2013, MILLER instructed her joint venture partner M.M., and her accountant, K.M., in an email

which contained the subject header, "LETS MAKE MONEY AND KEEP ME OUT OF JAIL", that they "not raise any red flags", and "DON'T PUT CASH IN THE BANK!!!".

72. It was further a part of the scheme and artifice to defraud that with respect to her TV show income from the new spin-off TV show called "Dance Moms Chatter", MILLER instructed payroll personnel at Collins Avenue, and her accountant K.M., in an email in May, 2013, that she "did not want to get paid these big psalms [sic] until the bankruptcy is over and I can make them out to the S Corp.!"

73. It was further a part of the scheme and artifice to defraud that in October, 2013, MILLER instructed M.M. and K.M. not to disclose joint venture revenue to the bankruptcy Court.

74. It was further a part of the scheme and artifice to defraud that in an email on October 13, 2013, MILLER instructed persons not to disclose 'Showclix' income.

75. It was further a part of the scheme and artifice to defraud that MILLER concealed Showclix, Masterclass, and ALDC.com and Masterclass apparel revenue in both original and amended MORs.

76. It was further a part of the scheme and artifice to defraud that MILLER concealed Showclix, Masterclass and ALDC.com sales revenue in Accountings filed by the debtor.

77. It was further a part of the scheme and artifice to defraud that MILLER concealed all income sources, and the total income that she earned, which caused false and misleading statements in bankruptcy court filings.

78. It was further a part of the scheme and artifice to defraud that MILLER intentionally omitted deposit bank accounts, account statements, and financial information from the MORs.

79. It was further a part of the scheme and artifice to defraud that MILLER made deceptive representations to creditors and to the Trustee in bankruptcy court filings, which failed to accurately disclose the sources and amounts of business income to her.

80. It was further a part of the scheme and artifice to defraud that MILLER made false and misleading representations to the Court in the Debtor's Report filed on February 28, 2013, concerning her deposit accounts, sources of income, and retention of counsel to prepare the subchapter S corporations.

81. It was further a part of the scheme and artifice to defraud that MILLER withheld information from bankruptcy counsel and the Court regarding the sources and amounts of business income she earned in 2012 and 2013, which caused the Court to state to bankruptcy counsel at a hearing on March 22, 2013: *"...I'll be honest with you. You've led me to believe over the last three years that this was a struggling wannabe reality TV*

star and that's not the case at all now that I've reviewed the contracts and what the payment schedule is...". And, "the problem is she wasn't going to make it right until she got caught and that's the quandary I'm in right now...". And, "this is just basic honesty... and for her not to have disclosed this information is troubling to the Court."

In violation of Title 18, United States Code, Section 157(3).

COUNT THREE

The grand jury further charges:

82. The United States incorporates by reference the allegations in paragraphs 17-36 as though set forth at length herein.

83. Beginning in and around January, 2012 and continuing thereafter until in and around December, 2012, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, knowingly and fraudulently concealed from a custodian, trustee, marshal or other officer of the court charged with control or custody of property, or, in connection with a case under Title 11, from creditors, or the United States Trustee, any property belonging to the estate of a debtor, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed by the defendant at 10-28606 TPA, concealed from the U.S. Trustee and creditors talent fees and income she earned from her performances on the TV show Dance Moms and related spin-off TV shows, which totaled approximately \$288,137.57.

In violation of Title 18, United States Code, Section 152(1).

COUNT FOUR

The grand jury further charges:

84. The United States incorporates by reference the allegations in paragraphs 58-60 as though set forth at length herein.

85. Beginning in and around June, 2012, and continuing thereafter until in and around May, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, knowingly and fraudulently concealed from a custodian, trustee, marshal or other officer of the court charged with control or custody of property, or, in connection with a case under Title 11, from creditors, or the United States Trustee, any property belonging to the estate of a debtor, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed by the defendant at 10-28606 TPA, concealed from the U.S. Trustee and creditors income she earned from Masterclass dance session and advanced ticket sales sold through 'Showclix,' which totaled approximately \$130,268.50.

In violation of Title 18, United States Code, Section 152(1).

COUNT FIVE

The grand jury further charges:

86. The United States incorporates by reference the allegations in paragraphs 58-60 as though set forth at length herein.

87. Beginning in and around January, 2013, and continuing thereafter until in and around October, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, knowingly and fraudulently concealed from a custodian, trustee, marshal or other officer of the court charged with control or custody of property, or, in connection with a case under Title 11, from creditors, or the United States Trustee, any property belonging to the estate of a debtor, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed by the defendant at 10-28606 TPA, concealed from the U.S. Trustee and creditors income she earned from same day Masterclass dance session ticket sales and Masterclass apparel sales processed by Square, Inc., which totaled approximately \$28,837.06.

In violation of Title 18, United States Code, Section 152(1).

COUNT SIX

The grand jury further charges:

88. The United States incorporates by reference the allegations in paragraphs 58-60 as though set forth at length herein.

89. Beginning in and around October, 2012, and continuing thereafter until in and around October, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, knowingly and fraudulently concealed from a custodian, trustee, marshal or other officer of the court charged with control or custody of property, or, in connection with a case under Title 11, from creditors, or the United States Trustee, any property belonging to the estate of a debtor, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed by the defendant at 10-28606 TPA, concealed from the U.S. Trustee and creditors joint venture revenue from ALDC.com online sales processed through PayPal, which totaled approximately \$79,236.63.

In violation of Title 18, United States Code, Section 152(1).

COUNT SEVEN

The grand jury further charges:

90. The United States incorporates by reference the allegations in paragraphs 58-60 as though set forth at length herein.

91. Beginning in and around October, 2012, and continuing thereafter until in and around October, 2013, the defendant, ABIGALE LEE MILLER, in the Western District of Pennsylvania, knowingly and fraudulently concealed from a custodian, trustee, marshal or other officer of the court charged with control or custody of property, or, in connection with a case under Title 11, from creditors, or the United States Trustee, any property belonging to the estate of a debtor, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed by the defendant at 10-28606 TPA, concealed from the U.S. Trustee and creditors, business revenue earned from Masterclass dance session and on-site apparel sales which were hosted at other dance studios, which MILLER deposited into the Wells Fargo accounts, which totaled approximately \$149,359.48.

In violation of Title 18, United States Code, Section 152(1).

COUNTS EIGHT THROUGH TWENTY

The grand jury further charges:

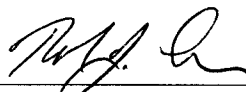
92. Beginning on or about October 4, 2013, and continuing thereafter until on or about November 28, 2013, in the Western District of Pennsylvania and elsewhere, the defendant, ABIGALE LEE MILLER, knowingly and fraudulently made a false declaration, certificate, verification and statement under penalty of perjury as permitted under Section 1746 of Title 28, and in relation to any case under Title 11, to wit, the defendant, ABIGALE LEE MILLER, in a Chapter 11 petition for reorganization in bankruptcy filed at docket number 10-28606 TPA, knowingly and fraudulently declared and verified under penalty of perjury that the Original and Amended Small Business Monthly Operating Reports filed on the dates set forth below were "true, correct and complete", whereas in truth and in fact, and as she well knew, the Original and Amended Monthly Operating Reports both underreported, and did not report, all business income earned by the debtor, each Monthly Operating Report being a separate count herein.

COUNT	FILING DATE	MONTHLY OPERATING REPORT
8	October 4, 2013	Amended, October 2012
9	October 4, 2013	Amended, November 2012
10	October 4, 2013	Amended, December 2012
11	October 4, 2013	Amended, January 2013
12	October 4, 2013	Amended, February 2013
13	October 4, 2013	Amended, March 2013
14	October 4, 2013	Amended, April 2013
15	October 4, 2013	Amended, May 2013

16	October 16, 2013	June 2013
17	October 16, 2013	July 2013
18	October 18, 2013	August 2013
19	October 18, 2013	September 2013
20	November 26, 2013	October 2013

In violation of Title 18, United States Code, Section 152(3).

A True Bill,



Foreperson



DAVID J. HICKTON
United States Attorney
PA ID No. 34524