UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 05-60035 CR-ZLOCH MAGISTRATE JUDGE SNOW

18 U.S.C. § 371

UNITED STATES OF AMERICA

vs.

ISAAC DENIS SAVARIEGO,

Defendant.

_____/

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At various times relevant to this Information:

1. AmeriP.O.S. Inc. ("AmeriP.O.S.") was a Florida corporation incorporated in or around August 2002. AmeriP.O.S.'s principal place of business was located in Broward County at 1250 E. Hallandale Beach Boulevard, Suite 505, Hallandale, Florida.

2. AmeriP.O.S. engaged in the sale of point-of-sale ("P.O.S.") terminal business opportunities. For a minimum purchase price of approximately $12,000, potential purchasers were told they would receive several P.O.S. terminals, along with assistance in establishing, maintaining, and operating a P.O.S. terminal business. According to the defendant and his co-conspirators, a business opportunity purchaser, known as a "distributor," would earn substantial profits when

members of the public purchased products, such as pre-paid debit cards, pre-paid phone cards, and pre-paid Internet services, from the distributor's P.O.S. terminals.

3. Defendant **ISAAC DENIS SAVARIEGO** was an AmeriP.O.S. salesman who worked as a "closer," as more fully described below in the Manner and Means section of this Information.

COUNT 1
(Conspiracy: 18 U.S.C. § 371)

1. Paragraphs 1 through 3 of the General Allegations section of this Information are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around December 2002, through in or around April 2004, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC DENIS SAVARIEGO,

did knowingly and willfully combine, conspire, confederate and agree with others, known and unknown to the United States Attorney, to commit an offense against the United States, that is, to knowingly and willfully devise and intend to devise a scheme and artifice to defraud and to obtain money and property from others by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and knowingly causing to be delivered certain mail matter by a private and commercial interstate carrier, according to the directions thereon, for the purpose of executing the scheme, in violation of Title 18, United States Code, Section 1341.

PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for **ISAAC DENIS SAVARIEGO** and his co-conspirators to unlawfully themselves by misappropriating monies from potential business opportunity purchasers by making materially false representations, omitting to state material facts, and concealing material facts concerning, among other things, expected profits, the services provided to distributors, and the authenticity of AmeriP.O.S. references.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

4. The conspirators incorporated AmeriP.O.S. in August 2002. Thereafter, they placed advertisements on television, on the Internet, and in other media across the country, misrepresenting the profits that could be earned by purchasing an AmeriP.O.S. distributorship, and urging consumers to telephone a number that appeared in the advertisements.

5. Individuals who telephoned AmeriP.O.S. in response to its advertisements ("potential purchasers") were placed in touch with salesmen. **ISAAC DENIS SAVARIEGO** and his co-conspirators used salesmen called "fronters" as the first point of contact with potential purchasers. **ISAAC DENIS SAVARIEGO** and his co-conspirators, directly and indirectly, instructed fronters on what to say to potential purchasers, as described below.

6. Fronters outlined the opportunity and determined whether the potential purchaser "qualified" to purchase an AmeriP.O.S. business opportunity and thereby become a "distributor." Fronters claimed that AmeriP.O.S. previously placed P.O.S. terminals in tremendously successful

locations. Fronters said that AmeriP.O.S. wanted to set up terminals across the country with the help of distributors. Fronters further explained that purchasers would receive several P.O.S. terminals.

7. According to the fronters, AmeriP.O.S. found store locations in the purchaser's geographic area to place the terminals. The machines would then sell prepaid debit cards, pre-paid phone cards, pre-paid Internet services, and many other products and services. The AmeriP.O.S. distributor would receive commissions based upon sales from those terminals.

8. "Qualified" potential purchasers were transferred to **ISAAC DENIS SAVARIEGO** and other AmeriP.O.S. salespersons known as "closers."

9. The closer generally identified himself to potential purchasers as a "Territory Director" who was responsible for setting up distributors in the potential purchasers' geographic area. In reality, a closer did not specialize in any particular area of the country and took calls from any place in the United States. The closer and potential purchaser scheduled an appointment to speak at a time after the potential purchaser received the AmeriP.O.S. brochure and spoke with AmeriP.O.S.'s references, as described below.

10. Using Fedex, the conspirators sent potential purchasers professional-looking, glossy brochures. The brochures represented that, in addition to the terminals themselves, AmeriP.O.S. "provid[es] our distributors with many retail outlets to sell a variety of pre-paid products at no additional cost."

11. The conspirators enclosed in the brochures a document entitled "Business Forecast/Daily Statistics." This document, which changed over time, purportedly described the performance of AmeriP.O.S. terminals. From in or around October 2002, through in or around September 2003, this document purported to state what a "Below Average Performing Terminal"

earned, and what an "Average Performing Terminal" earned. In or around October 2003, AmeriP.O.S. changed the "Business Forecast/Daily Statistics" page of the brochure to state that the forecasts were "examples." AmeriP.O.S. salesmen, however, continued to represent that the examples were typical of actual terminal performance.

12. The conspirators, directly and indirectly, provided potential purchasers with the names of references who claimed both to have had success operating AmeriP.O.S. terminals and who vouched for the support and assistance that AmeriP.O.S. provided. After the potential purchaser received the brochure by Fedex and spoke with references, the AmeriP.O.S. closer made an extended sales pitch to the potential purchaser. During this sales pitch, the closer made a number of representations about the AmeriP.O.S. business opportunity, earnings projections, earnings of prior purchasers, and the help and support AmeriP.O.S. provided.

13. The conspirators used a transaction called "Back-from-the-Dead," or "BFD," to attempt to resurrect any deal that the closer failed to close. If the closer was unsuccessful, another salesman called the potential purchaser back within a few days or weeks in an attempt to resurrect the deal. This BFD salesman falsely represented that another person had cancelled a large order of terminals for personal reasons and that, as a result, AmeriP.O.S. could offer these terminals to the purchaser for a substantially reduced rate.

14. The conspirators used a transaction called a "load" to induce individuals who purchased the AmeriP.O.S. business opportunity to purchase more. If a closer was successful at closing a sale, another salesperson, known to the defendants and their co-conspirators as a "loader," would contact the distributor within a few days or weeks for the purpose of soliciting an additional investment. Like the BFD salesman, the loader falsely claimed that another person had cancelled

a large order of terminals for personal reasons and that, as a result, AmeriP.O.S. could offer these terminals to the purchaser for a substantially reduced rate.

15. To fraudulently induce others to purchase business opportunities, **ISAAC DENIS SAVARIEGO** and his co-conspirators provided and made, and caused others to provide and make, numerous materially false statements, including, among others, the following:

a. That, after making their investment, the only thing distributors needed to do was plug in the terminals and put up posters and that AmeriP.O.S. performed all the legwork of the business when, in truth and in fact, the most difficult and time consuming part of the business, securing viable locations in which to place the terminals, was largely the distributor's responsibility because of AmeriP.O.S.'s inability and unwillingness to do so;

b. That AmeriP.O.S. limited the number of distributorships that it would sell to one per geographical area of 50,000 people, when, in truth and in fact, AmeriP.O.S. had no such limitation on the sales;

c. That forecasts of the earnings of AmeriP.O.S. terminals, contained in AmeriP.O.S. brochures and in verbal representations of closers, including **ISAAC DENIS SARAVIEGO**, were greatly overstated;

d. That AmeriP.O.S. frequently added new products to its terminals, when, in truth and in fact, this did not occur;

e. That AmeriP.O.S. placed terminals in viable, highly profitable locations when, in truth and in fact, AmeriP.O.S. had greatly difficulty placing terminals in any location, much less highly profitable ones; and

f. That AmeriP.O.S. would relocate any terminals that underperformed, when, in truth and in fact, AmeriP.O.S. was so far behind in finding initial locations for distributors' terminals that they did not have time to relocate underperforming terminals.

OVERT ACT

In furtherance of the conspiracy and to achieve the object and purpose thereof, at least one of the co-conspirators committed, or caused to be committed, in the Southern District of Florida, and elsewhere, the following overt act, among others:

1. In or around February 2003, **ISAAC DENIS SAVARIEGO** caused a commercial interstate carrier to deliver a package from a consumer in Huntington Beach, California, to AmeriP.O.S. in Hallandale, Florida.

All in violation of Title 18, United States Code, Section 371.

MARCOS DANIEL JIMENEZ
UNITED STATES ATTORNEY

RICHARD N. GOLDBERG
TRIAL ATTORNEY
U.S. DEPARTMENT OF JUSTICE

STEPHEN GURWITZ
SPECIAL ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA, CASE NO. 05-60035 CR-ZLOCH

vs.

MAGISTRATE JUDGE SNOW

CERTIFICATE OF TRIAL ATTORNEY*

Isaac Denis Savariego,

Defendant.

_____/

Superseding Case Information:

New Defendant(s) Yes ____ No ____
Number of New Defendants ____
Total number of counts ____

Court Division: (Select One)

___ Miami ___ Key West
_X_ FTL ___ WPB ___ FTP

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.

2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) _No_
List language and/or dialect _____

4. This case will take _0_ days for the parties to try.

5. Please check appropriate category and type of offense listed below:

(Check only one)			(Check only one)	
I	0 to 5 days	_X_	Petty	____
II	6 to 10 days	____	Minor	____
III	11 to 20 days	____	Misdem.	____
IV	21 to 60 days	____	Felony	_X_
V	61 days and over	____		

6. Has this case been previously filed in this District Court? (Yes or No) _No_
If yes:
Judge: _____ Case No. _____
(Attach copy of dispositive order)
Has a complaint been filed in this matter? (Yes or No) _No_
If yes:
Magistrate Case No. _____
Related Miscellaneous numbers: _____
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the _____ District of _____

Is this a potential death penalty case? (Yes or No) _No_

7. Does this case originate from a matter pending in the U.S. Attorney's Office prior to April 1, 2003? ____ Yes _X_ No

8. Does this case originate from a matter pending in the U. S. Attorney's Office prior to April 1, 1999? ____ Yes _X_ No
If yes, was it pending in the Central Region? ____ Yes ____ No

9. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003? ____ Yes _X_ No

10. Does this case originate from a matter pending in the Narcotics Section (Miami) prior to May 18, 2003? ____ Yes _X_ No

David Fuller for

Stephen Gurwitz
Special Assistant United States Attorney
Court No. A550379

*Penalty Sheet(s) attached

REV.1/14/04

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

05-60035CR-ZLOCH

Defendant's Name: ISAAC DENIS SAVARIEGO **Case No:** _____ MAGISTRATE JUDGE SNOW

Count #: 1

Conspiracy to commit mail fraud.

18 U.S.C. § 371

***Max Penalty:** 5 years' imprisonment

Count #:

***Max Penalty:**

Count #:

***Max Penalty:**

Count #:

***Max Penalty:**

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**