

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

**FELONY**

**INDICTMENT FOR CONSPIRACY TO COMMIT  
THEFT OF GOVERNMENT MONEY AND IDENTITY THEFT**

UNITED STATES OF AMERICA \* CRIMINAL NO.  
v. \* SECTION:  
PABLO E. PAZ \* VIOLATION: 18 U.S.C. § 371  
RAMON E. MADRID \*  
\* \* \*

The Grand Jury charges that:

**COUNT 1**

**A. AT ALL TIMES MATERIAL HEREIN:**

1. The defendant, **PABLO E. PAZ**, was an enlisted soldier in the Louisiana Army National Guard whose primary duty assignment was as a recruiter.
2. The defendant, **RAMON E. MADRID**, was an enlisted soldier in the Louisiana Army National Guard.
3. The Guard Recruiter Assistance Program (G-RAP) provided financial incentives to enlisted soldiers for assisting in recruiting potential soldiers into the Louisiana Army National Guard.

4. Soldiers whose primary job was as a recruiter or who worked in anyway with the recruiting and retention force were not eligible to participate in G-RAP or receive incentive payments.

5. In order to participate in G-RAP and become a recruiter assistant (RA), a soldier was required to create a G-RAP account via the internet. Access to the G-RAP account was controlled by username and a password.

6. In order to obtain a G-RAP account, the soldier had to complete and certify that he had completed a training course. The course explained the eligibility criteria and how the program worked.

7. The RA was required to foster a relationship with potential recruits within his individual sphere of influence, and provide them with information about the National Guard.

8. RAs were not allowed to receive referrals or leads from National Guard recruiters or recruiting stations.

9. The RA was required to obtain personally identifiable information (PII), such as name, date of birth and social security number, directly from the recruit and formally nominate the recruit by entering the PII into the online G-RAP account.

10. G-RAP incentive payments, funds belonging to the United States Department of Defense, were made by direct deposit into an account at a financial institution designated by the soldier or to a prepaid debit card provided to the soldier.

11. An RA would receive a payment when a potential soldier that he assisted enlisted in the National Guard, and a second payment when the potential soldier shipped to basic training.

**B. THE CONSPIRACY:**

From on or about April 2007 and continuing to on or about October 25, 2011, in the Eastern District of Louisiana and elsewhere, the defendants, **PABLO E. PAZ** and **RAMON E. MADRID**, did knowingly combine, conspire, confederate and agree with each other and with others known and unknown to the grand jury to commit offenses against the United States as follows:

1. Embezzle, steal, purloin, and knowingly convert to their own use, greater than \$1000.00 in funds belonging to the United States, in violation of Title 18, United States Code, Section 641; and

2. Transfer and possess, without lawful authority, a means of identification of another person during and in relation to the commission of theft of over \$1000.00 in funds belonging to the United States, in violation of Title 18, United States Code, Section 1028(a)(7).

**C. MANNER AND MEANS:**

The manner and means used to accomplish the objectives of the conspiracy included, among others, the following:

1. **PABLO E. PAZ** obtained personally identifiable information (PII), such as names, dates of birth and social security numbers, from potential soldiers that came to the recruiting station for the purpose of becoming a soldier in the Louisiana Army National Guard.

2. **PABLO E. PAZ** provided the PII of potential soldiers to **RAMON E. MADRID**, without the knowledge or consent of the soldiers, to obtain G-RAP incentive payments.

3. **MADRID** then entered the PII of the potential soldiers into his G-RAP account, although he did not personally know the recruits or obtain the information directly from the recruits.

**D. OVERT ACTS:**

In furtherance of the conspiracy and to effect the objects of the conspiracy, the defendants, committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

1. Throughout the course of the conspiracy, **RAMON E. MADRID** received approximately \$30,000.00 in fraudulently obtained recruitment incentive payments via wire transfers into his bank account or via pre-paid debit cards.

2. **RAMON E. MADRID** provided a portion of the fraudulently obtained recruitment incentive payments to **PABLO E. PAZ**.

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

**NOTICE OF FRAUD FORFEITURE**

1. The allegations of Count 1 of this Indictment are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 371, 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

2. As a result of the offenses alleged in Count 1, defendants, **PABLO E. PAZ and RAMON E. MADRID**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c), any and all property, real or personal, which constitutes or is derived from proceeds traceable to violations of Title 18, United States Code, Sections 371 and 641.



3. If any of the property subject to forfeiture, as a result of any act or omission of the defendants:

- 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 which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Sections 371, 641 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

#### **NOTICE OF IDENTITY THEFT FORFEITURE**

1. The allegations of Count 1 of this Indictment are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 1028 and 982(a)(2)(B).

2. As a result of the offense, alleged in Count 1, the defendants, **PABLO E. PAZ and RAMONE E. MADRID**, shall forfeit to the United States all personal property used or intended to be used to commit the offense, as a result of identity fraud, in violation of Title 18, United States Code, Section 1028(b)(7), in that such property constitutes, or was derived from, proceeds obtained, directly or indirectly, as a result of the aforesaid violations of Title 18, United States Code, Section 1028; all in violation of Title 18, United States Code, Section 982.

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

- 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 which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b)(1) and Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Section 982.

A TRUE BILL:

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FOREPERSON

KENNETH ALLEN POLITE, JR.  
UNITED STATES ATTORNEY

  
\_\_\_\_\_  
TRACEY N. KNIGHT  
Assistant United States Attorney  
Louisiana Bar Roll Number 23165

New Orleans, Louisiana  
October 2, 2014