

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Criminal No.
JAHRI MERIWETHER : Title 18, United States Code,
Section 1343

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

At all times relevant to this Information:

1. The Victim Payroll Company (the "Payroll Co.") was in the business of providing various payroll and other services to numerous companies, with its world headquarters located in New Jersey.

a. The Payroll Co.'s services included helping various companies comply with the Consolidated Omnibus Budget Reconciliation Act ("COBRA") concerning health care coverage for their former employees (the "former employees"). To do so, the Payroll Co. would, among other things, collect funds from the former employees (the "COBRA Funds") and direct those funds to various health care insurers.

b. The COBRA Funds were separately tracked by the Payroll Co., which maintained these and other funds in a bank account (the "COBRA Account") that was monitored and controlled by the Payroll Co. The Payroll Co. relied, among other things, upon a monthly consolidated financial report to manage the COBRA Account, which contained a summary of data

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physically entered into the Payroll Co.'s internal system from various Payroll Co. offices (the "Monthly Report"). Monthly Reports were accessed and used by the Payroll Co. at its corporate headquarters in Florham Park, New Jersey.

c. On various dates, and for various reasons, the Payroll Co. would individually remit COBRA funds to former employees by causing a check to issue from the COBRA Account to a particular former employee, as payee (the "COBRA Refund Checks"). Individual COBRA Refund Checks were typically sent by the Payroll Co. to former employees through the mails.

d. On various dates, and for various reasons, COBRA Refund Checks were undeliverable and returned through the mails to the Payroll Co. After it received undeliverable COBRA Refund Checks, the Payroll Co.'s internal processes ordinarily required the Payroll Co. to hold the resulting funds in the COBRA Account for approximately six months, after which time those funds were transferred from the COBRA Account and then eventually remitted by the Payroll Co. to the appropriate state government based on the last known residence of the relevant former employee.

2. The defendant, JAHRI MERIWETHER, resided in Riverdale, Georgia and was employed by the Payroll Co. at that company's office in Alpharetta, Georgia (the "Alpharetta Office"). As a Payroll Co. employee, defendant JAHRI MERIWETHER's responsibilities included: (i) making computer entries in the Payroll Co.'s internal computer system that were used to track balances and the allocation of funds within the COBRA Account; and (ii) physically receiving undeliverable COBRA Refund Checks that had been returned to the Payroll Co. Among other things, this access provided defendant JAHRI MERIWETHER with the ability to move funds within the COBRA Account, internally transfer the funds represented by the undeliverable COBRA Refund Checks to new payees, and cause the Payroll Co. to issue new COBRA Refund Checks in the names of those new payees.

The Scheme to Defraud

3. From in or about July 2007 through in or about November 2010 at Florham Park, in the District of New Jersey, and elsewhere, defendant

JAHRI MERIWETHER

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud the Payroll Co. and to obtain money or property from the Payroll Co. by means of materially false and fraudulent pretenses, representations and promises.

Object of the Scheme

4. The object of this scheme and artifice to defraud was to enable defendant JAHRI MERIWETHER to repeatedly embezzle from the Payroll Co. funds from undelivered COBRA Refund Checks.

Means and Methods of the Scheme and Artifice to Defraud

5. To achieve the object of the scheme and artifice to defraud the Payroll Co. and to obtain money or property from it by means of materially false and fraudulent pretenses, representations and promises, defendant JAHRI MERIWETHER employed the means and methods described in paragraphs 6 through 11, below.

6. As various undeliverable COBRA Refund Checks were received by the Payroll Co., defendant JAHRI MERIWETHER accessed the Payroll Co.'s computer system in the Alpharetta Office and, without authorization, caused the internal transfer of those funds from the legitimate payees to sub-accounts in the names of one of three individuals - referred to herein as "LC," "DT," and "NH" - whom defendant JAHRI MERIWETHER knew were not legally entitled to those funds (the "Meriwether Payees"). At a point in time after the unauthorized internal transfer of those funds, defendant JAHRI MERIWETHER then accessed the Payroll Co.'s

computer system in the Alpharetta Office and caused new COBRA Refund Checks in the individual names of the Meriwether Payees to issue (the “Embezzled Checks”).

7. Defendant JAHRI MERIWETHER then physically delivered each Embezzled Check to either LC, DT or NH, who would then cash the Embezzled Checks at various locations, retain a portion of the resulting cash proceeds, and remit the remainder of those proceeds to defendant JAHRI MERIWETHER.

8. To both effectuate and conceal this ongoing embezzlement defendant JAHRI MERIWETHER manipulated the Payroll Co.’s internal COBRA Account records without the Payroll Co.’s knowledge or consent. At various points during the execution of this scheme, that manipulation caused the COBRA Account balance to be overstated and the Payroll Co.’s liabilities to be understated by the total amount embezzled.

9. It was both foreseeable to, and generally known by, defendant JAHRI MERIWETHER that the Payroll Co. monitored the COBRA Account from its Florham Park, New Jersey facility and that the Payroll Co. was unknowingly accessing and using manipulated COBRA Account data for that purpose.

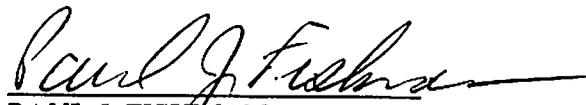
10. Through this scheme, defendant JAHRI MERIWETHER and the Meriwether Payees obtained approximately \$397,000 from the Payroll Co., without the Payroll Co.’s knowledge or authorization.

11. In or about September 2010, at Florham Park, in the District of New Jersey ,
and elsewhere, defendant

JAHRI MERIWETHER,

for the purpose of executing the scheme and artifice described in paragraphs three through ten,
above, did knowingly and intentionally cause to be transmitted in interstate commerce certain
writings, signs, signals, and sounds; that is, she caused materially false COBRA Account data to be
entered into the Payroll Co.'s internal computer system in Alpharetta, Georgia and transmitted
electronically to the Payroll Co. in Florham Park, New Jersey.

In violation of Title 18, United States Code, Section 1343.


PAUL J. FISHMAN
United States Attorney

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UNITED STATES OF AMERICA

v.

JAHRI MERIWETHER

INFORMATION FOR

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