
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : CRIMINAL COMPLAINT
 :
 v. : Mag. No. 12-3015
 :
 KARRON HINTON-LOVELACE; : Hon. Patty Shwartz
 KURTIS STEELE; :
 HASSAN CHILDS; :
 GARNET HINTON; :
 KEONNAH MCLEAN; :
 MARTELL ARLINE; :
 CONSTANCE BOWLES and :
 GUY HICKS :

ORIGINAL FILED

FEB 21 2012

**PATTY SHWARTZ
U.S. MAG. JUDGE**

I, Eric A. Malecki, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief. From in or about October 2009 to in or about February 2012, in Union, Hudson and Essex Counties, in the District of New Jersey and elsewhere, the Defendants did:

knowingly and intentionally conspire and agree with each other and others to execute a scheme and artifice to defraud financial institutions, namely TD Bank, Bank of America, Capital One Bank, Garden State Community Bank, Hudson City Savings Bank, Discover Bank, PNC Bank and Valley National Bank to obtain money, funds, and assets owned by and under the custody and control thereof by means of materially false and fraudulent pretenses, representations, and promises, contrary to Title 18, United States Code, Section 1344

in violation of Title 18, United States Code Section 1349.

I further state that I am a Postal Inspector with the U.S. Postal Inspection Service, and that this Complaint is based on the following facts:

SEE ATTACHMENT A

continued on the attached pages and made a part hereof.

U.S. Postal Inspector
Eric A. Malecki
U.S. Postal Inspection Service

Sworn to before me and subscribed in my presence,
February 21, 2012, at Newark, in the District of New Jersey

Honorable Patty Shwartz
United States Magistrate Judge



Signature of Judicial Officer

ATTACHMENT A

I, Eric A. Malecki, am a Postal Inspector with the U.S. Postal Inspection Service. I am fully familiar with the facts set forth herein based on my own investigation, my conversations with other law enforcement officers, and my review of reports, documents, and items of evidence. Where statements of others are related herein, they are related in substance and part. Since this Complaint is being submitted for a limited purpose, I have not set forth each and every fact that I know concerning this investigation. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

1. At all times relevant to this Complaint TD Bank, Bank of America, Capital One Bank, Garden State Community Bank, Hudson City Savings Bank, Discover Bank, PNC Bank and Valley National Bank hereinafter the ("Victim Banks") were "financial institutions" as defined by Title 18, United States Code, Section 20, whose deposits were insured by the Federal Deposit Insurance Corporation.

2. The scheme to defraud involved KARRON HINTON-LOVELACE, KURTIS STEELE, HASSAN CHILDS, GARNET HINTON, KEONNAH MCLEAN, MARTELL ARLINE, GUY HICKS, CONSTANCE BOWLES and other unnamed co-conspirators (hereinafter the "DEFENDANTS") who gained access to blank checks that were sent via U.S. Mail. DEFENDANTS then fraudulently endorsed the blank checks for a certain sum and deposited those checks into bank accounts that DEFENDANTS and/or co-conspirators had themselves opened at the Victim Banks or were pre-existing accounts. Before the victims discovered that their checks had been stolen and fraudulently endorsed and thereafter deposited into the DEFENDANTS and/or co-conspirator's accounts, DEFENDANTS withdrew funds from these accounts either via Automated Teller Machine (ATM), by entering the Victim Bank and filling out a withdraw slip, and/or by purchasing Western Union Wire Transfers.

3. It was part of the conspiracy, DEFENDANTS would either themselves open bank accounts at the Victim Banks or have a co-conspirator open a bank account at the Victim Banks. Approximately 258 bank accounts at approximately 27 different Victim Banks were opened by the DEFENDANTS and/or other co-conspirators. DEFENDANTS would then obtain the debit card, Personal Identification Numbers ("PIN") and account information associated with these bank accounts that were opened at the Victim Banks.

4. It was further part of the conspiracy that once the bank accounts were opened at the Victim Banks, DEFENDANTS and other co-conspirators fraudulently endorsed the stolen checks and

then deposited those fraudulently endorsed checks into the accounts they caused to be opened.

5. It was further part of the conspiracy that prior to the victims as well as the Victim Banks discovering the fraud, DEFENDANTS and other co-conspirators withdrew the monies deposited through either a debit card withdraw (i.e. ATM withdraw), an in person withdraw slip or through a wire transfer (i.e. Western Union Wire Transfers).

6. As a result, DEFENDANTS and other co-conspirators deposited approximately \$1,478,695 in fraudulent checks stolen from approximately 122 victims, which were deposited into approximately 258 different bank accounts opened by the DEFENDANTS and/or unnamed co-conspirators. Defendant KARRON HINTON-LOVELACE was observed on bank video surveillance on at least 70 occasions making fraudulent deposits or withdraws from the accounts. Defendant KURTIS STEELE was observed on bank video surveillance on at least 65 occasions making fraudulent deposits or withdraws from the accounts. Defendant HASSAN CHILDS was observed on bank video surveillance on at least 30 occasions making fraudulent deposits or withdraws from the accounts. Defendant GARNET HINTON was observed on bank video surveillance on at least 10 occasions making fraudulent deposits or withdraws from the accounts. Defendant MARTELL ARLINE was observed on bank video surveillance on at least 13 occasions making fraudulent deposits or withdraws from the accounts. Defendant CONSTANCE BOWLES was observed on bank video surveillance on at least 8 occasions making fraudulent deposits or withdraws from the accounts. Defendant GUY HICKS was observed on bank video surveillance on at least 10 occasions making fraudulent deposits or withdraws from the accounts. Defendant KEONNAH MCLEAN was observed on bank video surveillance on at least 18 occasions making fraudulent deposits or withdraws from the accounts.

7. For example victim B.S. advised that in or about January 2010, he/she had opened a checking account at Bank of America. B.S. further advised that he/she never received checks from Bank of America for the checking account. Several weeks after opening the checking account, B.S. was advised by Bank of America that his/her newly opened checking account was over drafted. Bank records and bank video surveillance showed that on or about February 2, 2010, KARRON HINTON-LOVELACE, entered TD Bank in Hoboken, New Jersey and presented KEONNAH MCLEAN's debit card and deposited a fraudulently endorsed check (#177 issued by Bank of America belonging to victim "B.S."), which was made payable to KEONNAH MCLEAN in the amount of \$3,700. This check was deposited in person into the account of KEONNAH MCLEAN, via the counter line and was captured on bank video surveillance. The next day on or about February 3, 2010, KURTIS STEELE, HASSAN CHILDS, and KARRON HINTON-LOVELACE entered TD Bank in Bayonne, New Jersey and KURTIS

STEELE presented KEONNAH MCLEAN's debit card and deposited a fraudulently endorsed check (#179 issued by Bank of America belonging to victim "B.S."), which was made payable to KEONNAH MCLEAN in the amount of \$1,900. This check was deposited in person into the account of KEONNAH MCLEAN, via the counter line and was captured on bank video surveillance. Subsequent to the above mentioned fraudulent deposits approximately \$5,438 was withdrawn from KEONNAH MCLEAN's account. B.S. did not endorse check #177 in the amount of \$3,700 made payable to KEONNAH MCLEAN nor did he/she endorse check #179 in the amount of \$1,900 made payable to KEONNAH MCLEAN. B.S. also did not give anyone permission or authority to use his/her checking account at Bank of America.

8. Victim T.D. indicated that in or about February 2010, he/she ordered checks from Capital One Bank for his/her checking account but never received them in the mail. Approximately one week later, T.D. checked his/her account online and noticed a negative balance. Capital One Bank advised T.D. that several checks from his/her new order of checks were endorsed. Bank records and bank video surveillance showed that on or about February 3, 2010, KURTIS STEELE, HASSAN CHILDS, and KARRON HINTON-LOVELACE entered TD Bank Bayonne, New Jersey where HASSAN CHILDS deposited \$400 in cash into an account belonging to unnamed co-conspirator Y.R. Several weeks later on or about February 22, 2010, HASSAN CHILDS entered TD Bank in Hoboken, New Jersey and presented Y.R.'s debit card and deposited a fraudulently endorsed check (#101 issued by Capital One Bank belonging to victim "T.D."), which was made payable to Y.R. in the amount of \$3,700. The check was deposited in person into Y.R.'s account, via the counter line and was captured on bank video surveillance. On or about February 23, 2010, an unidentified co-conspirator entered TD Bank in Roseland, New Jersey and deposited a fraudulently endorsed check (#104 issued by Capital One Bank belonging to victim "T.D."), which was made payable to Y.R. in the amount of \$2,800. The check was deposited in person into the account of Y.R., via the counter line. Subsequent to the above mentioned fraudulent deposits, approximately \$3,730 was withdrawn from the account of Y.R. Victim T.D. did not endorse check #101 in the amount of \$3,700 or check #104 in the amount of \$2,800 made payable to Y.R. T.D. also did not give anyone permission or authority to use his/her checking account at Capital One Bank.

9. Bank records and bank video surveillance showed that on or about February 3, 2010, KARRON HINTON-LOVELACE entered TD Bank in Bayonne, New Jersey where unnamed co-conspirator S.G. had an existing checking account. KARRON HINTON-LOVELACE presented S.G.'s debit card and deposited a fraudulently endorsed check (#180 issued by Bank of America belonging to victim "B.S."), which was made payable to S.G. in the amount of \$3,970. The

check was deposited via TD Bank's ATM and was captured on bank video surveillance. Also present on the bank video surveillance is KURTIS STEELE and HASSAN CHILDS. On or about February 4, 2010, KARRON HINTON-LOVELACE entered TD Bank in Bayonne, New Jersey and presented S.G.'s debit card and deposited a fraudulently endorsed check (#182 issued by Bank of America belonging to victim "B.S."), which was made payable to S.G. in the amount \$3,830. The check was deposited via TD Bank's ATM and was captured on bank video surveillance. Subsequent to the above mentioned fraudulent deposits approximately \$7,800 was withdrawn from S.G.'s account. B.S. did not endorse check #180 in the amount of \$3,970 made payable to S.G. nor did he/she endorse check #182 in the amount of \$3,830 also made payable to S.G. B.S. also did not give anyone permission or authority to use his/her checking account at Bank of America.

10. Victim J.M. indicated that in or about February 2010 he/she ordered checks from Garden State Community Bank for his/her checking account but never received them in the mail. Approximately one week later, J.M. was contacted by Garden State Community Bank and advised that several checks were endorsed from his/her account and that the account was over drafted. Bank records and bank video surveillance showed that on or about February 12, 2010, KARRON HINTON-LOVELACE, entered TD Bank in Hoboken, New Jersey and presented CONSTANCE BOWLES' debit card and deposited a fraudulently endorsed check (#5103 issued by Garden State Community Bank belonging to victims "J.M." and "I.M."), which was made payable to CONSTANCE BOWLES in the amount of \$3,820. This check was deposited in person into CONSTANCE BOWLES' account, via the counter line and was captured on bank video surveillance. On or about February 16, 2010, an unidentified co-conspirator entered TD Bank in Roseland, New Jersey and deposited a fraudulently endorsed check (#5107 issued by Garden State Community Bank belonging to victims "J.M." and "I.M."), which was made payable to CONSTANCE BOWLES in the amount of \$2,420. The check was deposited in person into CONSTANCE BOWLES' account, via the counter line. Subsequent to the above mentioned fraudulent deposits approximately \$4,145 was withdrawn from CONSTANCE BOWLES' account. J.M. did not endorse check #5103 in the amount of \$3,820 or check #5107 in the amount of \$2,420 both made payable to CONSTANCE BOWLES. J.M. also did not give anyone permission or authority to use his/her checking account at Garden State Community Bank.

11. Victim A.C. advised that in or about February 2010 he/she reviewed his/her Discover credit card statement and noticed debits in the form of convenience checks from the account that he/she did not authorize. Bank records and bank video surveillance showed that on or about January 28, 2010, an unidentified co-conspirator entered TD Bank Springfield, New

Jersey and deposited a fraudulently endorsed convenience check (#9111 issued by Discover Bank belonging to victim "A.C."), which was made payable to MARTELL ARLINE in the amount of \$2,820. This check was deposited in person into MARTELL ARLINE's account, via the counter line and was captured on bank video surveillance. On or about January 29, 2010, MARTELL ARLINE entered TD Bank in Jersey City, New Jersey and deposited a fraudulently endorsed convenience check (#9112 issued by Discover Bank belonging to victim "A.C."), which was made payable to MARTELL ARLINE in the amount of \$2,400. This check was deposited in person, via the counter line and was captured on bank video surveillance.

Subsequent to the above mentioned fraudulent deposits approximately \$5,106 was withdrawn from MARTELL ARLINE's account. A.C. did not endorse convenience check #9111 in the amount of \$2,820 or convenience check #9112 in the amount of \$2,400 from his/her Discover credit card account both made payable to MARTELL ARLINE. A.C. also did not give anyone permission or authority to use his/her Discover credit card account or endorse convenience checks from his/her Discover account.

12. Victim W.A. advised that in or about December 2009, he/she ordered a new box of checks for his/her Bank of America checking account but never received them in the mail. Approximately two weeks later W.A. checked his/her checking account online and noticed several checks withdrawn from his/her account that W.A. did not endorse. Victim B.A. also advised that in or about December 2010 he/she ordered a new box of checks for his/her Bank of America checking account but never received them in the mail. Approximately one week later B.A. checked his/her checking account online and noticed several checks withdrawn from his/her account that B.A. did not endorse. Bank records and bank video surveillance showed that on or about December 15, 2009, KURTIS STEELE entered TD Bank in Newark, New Jersey where unnamed co-conspirator E.C. had an existing checking account. KURTIS STEELE presented E.C.'s debit card and deposited a fraudulently endorsed check (#446 issued by Bank of America belonging to victim "W.A."), which was made payable to E.C. in the amount of \$3,900. This check was deposited in person into E.C.'s account, via the counter line and was captured on bank video surveillance. On or about December 16, 2009, MARTELL ARLINE entered TD Bank in Bayonne, New Jersey and presented E.C.'s debit card and deposited a fraudulently endorsed check (#101 issued by Bank of America belonging to victim "B.A."), which was made payable to E.C. in the amount of \$3,900. The check was deposited in person into E.C.'s account, via the counter line and was captured on bank video surveillance. Subsequent to the above mentioned fraudulent deposits approximately \$4,390 was withdrawn from E.C.'s account. W.A. did not endorse check #446 in the amount of \$3,900 made payable to E.C. W.A. also did not give anyone permission or authority to use his/her checking account at Bank of America.

B.A. also did not endorse check #101 in the amount of \$3,900 made payable to E.C. or give anyone permission or authority to use his/her checking account at Bank of America.

13. Victim B.M. advised that in or about August 2010, he/she ordered a new box of checks for his/her PNC Bank checking account but never received them in the mail. B.M. checked his/her checking account online and noticed several checks withdrawn from his/her account that B.M. did not endorse. Victim C.Y. also indicated that in or about August 2010 he/she ordered a new box of checks for his/her Hudson City Saving Bank checking account but never received them in the mail. Approximately one week later C.Y. was advised by Hudson City Saving Bank that several checks were written from the account and the account was over drafted. Bank records and bank video surveillance showed that on or about August 26, 2010, KARRON HINTON-LOVELACE entered TD Bank in Union, New Jersey where unnamed co-conspirator A.L. had an existing checking account. KARRON HINTON-LOVELACE presented A.L.'s debit card and deposited a fraudulently endorsed check (#2334 issued by PNC Bank belonging to victim "B.M."), which was made payable to A.L. in the amount of \$3,910. This check was deposited in person into A.L.'s account, via the drive-thru ATM at TD Bank and was captured on bank video surveillance. On or about August 30, 2010, KARRON HINTON-LOVELACE entered TD Bank in Springfield, New Jersey and presented A.L.'s debit card and deposited a fraudulently endorsed check (#1451 issued by Hudson City Saving Bank belonging to victim "C.Y."), which was made payable to A.L. in the amount of \$3,910. The check was deposited in person into A.L.'s account, via the counter line and was captured on bank video surveillance. Subsequent to the above mentioned fraudulent deposits approximately \$3,895 was withdrawn from A.L.'s account. B.M. did not endorse check #2334 in the amount of \$3,910 made payable to A.L. B.M. also did not give anyone permission or authority to use his/her checking account at PNC Bank. C.Y. did not endorse check #1451 in the amount of \$3,910 made payable to A.L. C.Y. also did not give anyone permission or authority to use his/her checking account at Hudson City Savings Bank.

14. As indicated in the previous paragraph, law enforcement spoke with victim C.Y. who indicated that he/she was expecting checks from Hudson City Saving Bank but never received them in the mail. Bank records and bank video surveillance showed that on or about August 30, 2010, GARNET HINTON, entered TD Bank in Springfield, New Jersey and presented unnamed co-conspirator B.R.'s debit card and deposited a fraudulently endorsed check (#1452 issued by Hudson City Saving Bank belonging to victim "C.Y."), which was made payable to B.R. in the amount of \$3,810. This check was deposited in person into B.R.'s account, via the counter line and was captured on bank video surveillance. C.Y. did not endorse check #1452 in the amount of \$3,810 made payable

to B.R. nor did C.Y. give anyone permission or authority to use his/her checking account at Hudson City Savings Bank.

15. Victim M.L. advised that in or about September 2010 he/she ordered a new box of checks for his/her Valley National Bank checking account but never received them in the mail. Approximately one week later M.L. was advised by Valley National Bank that several checks were written from the account and the account was over drafted. Bank records and bank video surveillance showed that on or about October 4, 2010, GUY HICKS entered Victim Bank (TD Bank in Rahway, New Jersey) where unnamed co-conspirator G.P. had an existing checking account. GUY HICKS presented G.P.'s debit card and deposited a fraudulently endorsed check (#1972 issued by Valley National Bank belonging to victim "M.L."), which was made payable to G.P. in the amount of \$4,020. This check was deposited in person into G.P.'s account, via the counter line at Victim Bank and was captured on bank video surveillance. On or about October 5, 2010, GUY HICKS entered Victim Bank (TD Bank in Newark, New Jersey) and presented G.P.'s debit card and deposited a fraudulently endorsed check (#1974 issued by Valley National Bank belonging to victim "M.L."), which was made payable to G.P. in the amount of \$3,800. The check was deposited in person into G.P.'s account, via the counter line at Victim Bank and was captured on bank video surveillance. Subsequent to the above mentioned fraudulent deposits approximately \$3,640 was withdrawn from the account, which included a \$743 withdraw by KARON HINTON-LOVELACE on October 5, 2010, which was captured on an ATM bank video surveillance camera. Victim M.L. did not endorse check #1972 in the amount of \$4,020 made payable to G.P. or check #1974 in the amount of \$3,800 made also made payable to G.P. M.L. did not give anyone permission or authority to use his/her checking account at Valley National Bank.

16. DEFENDANTS' conduct resulted in approximately \$624,913 in loss to the Victim Banks.