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Southern District of New York*

**FOR IMMEDIATE RELEASE  
SEPTEMBER 27, 2006**

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**U.S. ARRESTS MANHATTAN MAN FOR SCAM TO DEFRAUD NUMEROUS  
PRIESTS NATIONWIDE AFTER UNDERCOVER STING**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and MARK J. MERSHON, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI") announced today the arrest of ROBERT RIGGIO, a/k/a "William Kelley," a/k/a "Tim Ryan," on charges relating to his participation in a scam that defrauded numerous priests nationwide. RIGGIO typically made sympathy-inducing but bogus requests for money purportedly to help a relative facing a time-sensitive issue, the Complaint alleged. Although he used aliases to mask his identity, RIGGIO's involvement in the scam was confirmed after he requested money from an undercover FBI agent who was posing as the niece of a priest who had been defrauded, it was charged in a criminal Complaint unsealed today.

Records from Western Union and Moneygram, which were used to transfer money sent by the priests, indicate that since March 2004 more than 150 separate wire transfers involving more than \$200,000 have been received by RIGGIO and his partner in the scam, the Complaint alleged.

It was charged that approximately over the last two and a half years, priests throughout the United States have received unsolicited calls from a man claiming to urgently need money for his mother. The caller, who sometimes used the names "William Kelley" or "Tim Ryan", typically claimed some variation of the theme that his mother was facing eviction, needed new housing, or was trying to pay for assisted living, the Complaint charged. It was alleged that the caller typically claimed that he was somehow affiliated with each priest's church, said he was on assignment in New York City, and in some cases promised that he would return

the money. Once the priests followed the caller's wiring instructions and parted with the money, which sometimes came from personal savings, they were not repaid, the Complaint alleged. In some cases, according to the allegations, the caller went back to priests who had already been defrauded and asked for, and ultimately received, additional funds.

In August 2006, one of the priests discussed in the Complaint, who had parted with several thousand dollars at the request of a man using the name "William Kelley," agreed to put "William Kelley" in touch with an undercover FBI agent posing as this priest's niece. At the FBI's request, the priest led "William Kelley" to believe that the priest's purported niece wanted to help out "William Kelley's" mother, the Complaint charged. After several recorded calls between the undercover agent and "William Kelley" discussing this additional money, "William Kelley's" true identity as ROBERT RIGGIO was confirmed when another FBI agent observed RIGGIO answer his cellular phone as the undercover agent called him, it was alleged. Although RIGGIO was seen taking this call while standing on the street near his Manhattan home, the Complaint charged that RIGGIO continued to present himself during this phone call as "William Kelley" and claimed, as he had for several weeks, that he was traveling outside of New York City. That is why, RIGGIO claimed during the call, he wanted the undercover agent to send the money to a third party in New York City, it was alleged.

RIGGIO was charged with one count of conspiracy to commit wire fraud and one count of wire fraud. If convicted on both counts, RIGGIO faces a maximum sentence of 25 years in prison. RIGGIO is expected to appear before United States Magistrate Judge Henry Pitman this today at the United States Courthouse, 500 Pearl Street, in lower Manhattan.

RIGGIO, 60, resides in New York, New York.

Mr. GARCIA stated: "Taking advantage of people who are generous enough to open their wallets for a virtual stranger in a time of need is always reprehensible, but a scam that preys on the clergy is particularly deplorable. This is a reminder that while criminals operating in New York might try to hide behind fake names and target victims thousands of miles away, they will not outrun the money trail left behind or avoid prosecution at home."

"What makes this fraud scheme especially despicable is its preying upon the compassion and charity of men of faith. The FBI remains committed to aggressively pursuing fraudsters who

have no sense of conscience and will stop at nothing to feed their greed," stated MARK J. MERSHON.

Mr. GARCIA praised the FBI's investigation and thanked the priests for cooperating with the authorities, which is ongoing.

Assistant United States Attorney NICHOLAS S. GOLDIN is in charge of the prosecution.

The charges contained in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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