

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO.** _____
v. : **DATE FILED:** _____
MALCOLM WAYNS : **VIOLATIONS:**
: **18 U.S.C. § 1029(b)(2) (conspiracy to**
: **commit access device fraud - 1 count)**
: **18 U.S.C. § 1029(a)(2) (unauthorized**
: **access devices - 1 count)**
: **18 U.S.C. § 1028A(a)(1) (aggravated**
: **identity theft - 1 count)**

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

Prepaid

1. Prepaid Legal Services, Inc. (“Prepaid”), in Ada, Oklahoma, provided legal service plans to its members.
2. The members paid Prepaid for the plans by providing Prepaid a credit/debit card account number, which Prepaid billed on a monthly basis.
3. Representatives of Prepaid solicited the public on behalf of Prepaid in order to obtain new members and submitted to Prepaid member applications, with the members’ credit/debit account numbers.
4. Prepaid paid its representatives commissions for the members that the

representatives successfully solicited.

Liberty

5. Liberty Benefits (“Liberty”), in Ardmore, Oklahoma, provided discount medical programs, as an alternative to health care plans, to its members.

6. The members paid Liberty for the plans by providing Liberty a credit/debit card account number, which Liberty billed on a monthly basis.

7. Representatives of Liberty solicited the public on behalf of Liberty in order to obtain new members and submitted to Liberty member applications, with the members’ credit/debit account numbers.

8. Liberty paid its representatives commissions for the members that the representatives successfully solicited.

Everyday Wealth

9. Everyday Wealth, in Austin, Texas, provided consumer finance services to assist its members in managing and protecting their finances.

10. The members paid Everyday Wealth for the plans by providing Everyday Wealth a credit/debit card account number, which Everyday Wealth billed on a monthly basis.

11. Representatives of Everyday Wealth solicited the public on behalf of Everyday Wealth in order to obtain new members and submitted to Everyday Wealth member applications, with the members’ credit/debit account numbers.

12. Everyday Wealth paid its representatives commissions for the members that the representatives successfully solicited.

13. From at least in or about January 2004, to in or about October 2004, in

Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

MALCOLM WAYNS

conspired and agreed with others known and unknown to the United States Attorney, to commit an offense against the United States, that is, to knowingly and with intent to defraud, use one or more unauthorized access devices during any one-year period, and by such conduct obtain anything of value aggregating \$1,000 or more during that period, in violation of Title 18, United States Code, Section 1029(a)(2).

MANNER AND MEANS

It was part of the conspiracy that:

14. A person known to the United States Attorney signed up as a representative of Prepaid, and, using false names, also manufactured fraudulent phantom people to serve as representatives for Prepaid, Liberty, and Everyday Wealth.

15. When signing up as representatives at Prepaid, Liberty and Everyday Wealth, a person known to the United States Attorney provided bank accounts belonging to defendant MALCOLM WAYNS and to a person known to the United States Attorney for Prepaid, Liberty and Everyday Wealth to pay them commissions on fraudulently opened member accounts.

16. Defendant MALCOLM WAYNS stole credit/debit card numbers from his place of business.

17. Defendant MALCOLM WAYNS gave the stolen credit/debit card account numbers to a person known to the United States Attorney to use in submitting fraudulent member applications to Prepaid, Liberty and Everyday Wealth.

18. A person known to the United States Attorney submitted fraudulent member applications to Prepaid, Liberty and Everyday Wealth, using the unauthorized account numbers defendant MALCOLM WAYNS provided.

19. Prepaid, Liberty and Everyday Wealth paid commissions for the creation of the fraudulent member accounts, often by directly depositing commission payments into the bank accounts of defendant MALCOLM WAYNS and another person known to the United States Attorney.

20. By operation of this scheme, defendant MALCOLM WAYNS generated fraudulent commissions of over \$20,800 while causing victims to be falsely billed thousands of dollars.

OVERT ACTS

In furtherance of the conspiracy, defendant MALCOLM WAYNS and others known and unknown to the United States Attorney, committed the following overt acts in the Eastern District of Pennsylvania and elsewhere:

1. On or about January 21, 2004, a person known to the United States Attorney applied to be a representative of Prepaid under the fictitious name "T.S.," providing Prepaid defendant MALCOLM WAYNS's PNC Bank account number.

2. Defendant MALCOLM WAYNS provided a person known to the United States Attorney a stolen, unauthorized American Express credit card account number ending in the numbers 1003, and on or about February 6, 2004, a person known to the United States Attorney, using the fictitious representative's name of "T.S.," submitted to Prepaid a fraudulent member application in the name of "A.B.," with the stolen, unauthorized American Express

credit card account number ending in the numbers 1003.

3. As a result of the “A.B.” member application, Prepaid charged the American Express credit card account number ending in the numbers 1003 monthly fees of approximately \$45.95 in or about February 2004 and March 2004.

4. As a result of the “A.B.” member application, in or about February 2004, Prepaid paid a commission by depositing the commission payment into defendant MALCOLM WAYNS’s PNC Bank account.

All in violation of Title 18, United States Code, Section 1029(b)(2).

COUNT TWO

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

From in or about January 2004 to in or about October 2004, in the Eastern District of Pennsylvania, and elsewhere, defendant

MALCOLM WAYNS

knowingly and with the intent to defraud used, attempted to use, and aided and abetted and willfully caused the use of, one or more unauthorized access devices, including, but not limited to, American Express credit card account number ending in the numbers 1003, in the name of "A.B.," to obtain things of value aggregating \$1,000 or more during a one-year period, for a total of over approximately \$20,700, thereby affecting interstate and foreign commerce.

In violation of Title 18, United States Code, Sections 1029(a)(2), (b)(1), and 2.

COUNT THREE

THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:

On or about February 6, 2004, in the Eastern District of Pennsylvania, and elsewhere, defendant

MALCOLM WAYNS

knowingly and without lawful authority possessed and aided and abetted and willfully caused the possession of a means of identification of another person, that is, the name "A.B." and a stolen American Express credit card account number ending in the numbers 1003, in the name "A.B.," during and in relation to credit card fraud.

In violation of Title 18, United States Code, Sections 1028A(a)(1), (c)(4) and 2.

PATRICK L. MEEHAN
UNITED STATES ATTORNEY