

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

<b>UNITED STATES OF AMERICA</b>	:	<b>CRIMINAL NO. 11- <u>002</u></b>
v.	:	<b>DATE FILED: <u>January 4, 2011</u></b>
<b>LARRY DUPREE, JR.</b>	:	<b>VIOLATIONS:</b>
	:	<b>18 U.S.C. § 641 (conversion of government funds – 1 count)</b>
	:	<b>18 U.S.C. § 1001(a)(2) (false statement - 4 counts)</b>
	:	<b>18 U.S.C. § 1343 (wire fraud - 4 counts)</b>
	:	<b>42 U.S.C. § 408 (social security fraud - 5 counts)</b>
	:	<b>Notice of forfeiture</b>
	:	

**INDICTMENT**

**COUNT ONE**

**(Conversion of Government Funds)**

**THE GRAND JURY CHARGES THAT:**

At all times material to this indictment:

1. The Social Security Administration (“SSA”), an agency of the United States, administered certain government benefit programs, including the Disability Insurance Benefit (“DIB”) program, pursuant to Title 42, United States Code, Sections 401 - 433.

2. The DIB program was an earned-right program funded through Social Security wage taxes. When an individual worked, that individual paid taxes on his or her wages into the Social Security trust fund. If that individual became “disabled” and paid sufficient Social Security taxes to become “insured,” as those terms were defined for purposes of the

Social Security Act, he or she was eligible to receive disability insurance benefits, which were designed to replace part of the individual's earnings lost due to disability.

3. DIB payments continued unless the disabled individual's disability improved, or until the disabled individual returned to work or died.

4. In or about April 2000, defendant LARRY DUPREE, JR. applied with SSA for DIB alleging that a lower back injury and left side numbness prevented him from being gainfully employed.

5. From in or about April 2000, through June 2009, defendant LARRY DUPREE, JR. received monthly DIB payments for both himself and his dependent child.

6. From on or about June 11, 2001 through on or about June 18, 2009, defendant LARRY DUPREE, JR. was employed and received income from various employers including Wendover Corporation, Hertz, Joel Cooper DDS., Careers USA Incorporated, Centimark Corporation, A-1 International Courier, Inc., and Subcontracting Concepts LLC.

7. Defendant LARRY DUPREE, JR. did not timely notify SSA that he was employed and receiving income and SSA continued to send monthly DIB checks to DUPREE.

8. The undisclosed employment and income received by defendant LARRY DUPREE, JR. made him ineligible to receive SSA DIB payments for himself and his child.

9. Defendant LARRY DUPREE, JR. improperly received approximately \$95,719.40 in DIB payments despite that he was employed and receiving income and was therefore ineligible for such benefits.

10. Beginning in or about September 2002 through in or about June 2009, in the Eastern District of Pennsylvania and elsewhere, defendant

**LARRY DUPREE, JR.**

knowingly converted to his own use money of the United States in excess of \$1,000, that is, approximately \$95,719.40 in DIB benefits payments, which he was ineligible to receive.

In violation of Title 18, United States Code, Section 641.

**COUNT TWO**

(Social Security Fraud - Concealment of an Event Affecting Right to Payment)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One of this indictment are incorporated here.

2. From on or about June 11, 2001 through on or about January 8, 2006, defendant LARRY DUPREE, JR. was employed by and received earnings from Wendover Corporation.

3. Beginning on or about June 11, 2001 and continuing through on or about January 8, 2006, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

having knowledge of the occurrence of an event affecting his continued right to receive Social Security DIB payments, knowingly concealed and failed to disclose such event to SSA with the intent to fraudulently secure such benefits in an amount greater than was due and when no such benefits were authorized. Specifically, in order to continue to receive DIB payments for himself and his child, defendant LARRY DUPREE, JR. concealed from and failed to disclose to SSA that he had performed work activity and received earnings in connection with Wendover Corporation between on or about June 11, 2001, and on or about January 8, 2006.

In violation of Title 42, United States Code, Section 408(a)(4).

**COUNT THREE**

(Social Security Fraud - Concealment of an Event Affecting Right to Payment)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One of this indictment are incorporated here.

2. From in or about October 2006 through in or about October 2007, defendant LARRY DUPREE, JR. was employed by and received earnings from Centimark Corporation and Careers USA Incorporated.

3. Beginning in or about October 2006 and continuing through in or about October 2007, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

having knowledge of the occurrence of an event affecting his continued right to receive Social Security DIB payments, knowingly concealed and failed to disclose such event to SSA with the intent to fraudulently secure such benefits in an amount greater than was due and when no such benefits were authorized. Specifically, in order to continue to receive DIB payments for himself and his child, defendant LARRY DUPREE, JR. concealed from and failed to disclose to SSA that he had performed work activity for and received earnings from Centimark Corporation and Careers USA, Incorporated, between in or about October 2006, and in or about October 2007.

In violation of Title 42, United States Code, Section 408(a)(4).

## **COUNT FOUR**

(Social Security Fraud - Concealment of an Event Affecting Right to Payment)

### **THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One of this indictment are incorporated here.
2. From on or about April 14, 2008 through on or about June 18, 2009, defendant LARRY DUPREE, JR. performed work activity and received earnings in connection with A-1 International Courier, Inc. and Subcontracting Concepts LLC.
3. Beginning on or about April 14, 2008 and continuing through on or about June 18, 2009, in the Eastern District of Pennsylvania, defendant

### **LARRY DUPREE, JR.,**

having knowledge of the occurrence of an event affecting his continued right to receive Social Security DIB payments, knowingly concealed and failed to disclose such event to SSA with the intent to fraudulently secure such benefits in an amount greater than was due and when no such benefits were authorized. Specifically, in order to continue to receive DIB payments for himself and his child, defendant LARRY DUPREE, JR. concealed from and failed to disclose to SSA that he had performed work activity for and received earnings from A-1 International Courier, Inc. and Subcontracting Concepts LLC, between on or about April 14, 2008, and on or about June 18, 2009.

In violation of Title 42, United States Code, Section 408(a)(4).

**COUNT FIVE**

(False Statement)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One and paragraph 2 of Count Two of this indictment are incorporated here.

2. SSA provides Form SSA-821, "Work Activity Report," to individuals applying for or receiving benefits from SSA. Form SSA-821 requires individuals who are applying for or receiving benefits from SSA to disclose their employment information in order for SSA to determine their initial or continued benefit eligibility.

3. On or about January 16, 2008, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

in a matter within the jurisdiction of the Social Security Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations in that defendant LARRY DUPREE, JR. denied that he had engaged in work activity since June 2001 for Wendover Corporation, in a "Work Activity Report," Form SSA-821, and provided the document to the Social Security Administration, when, as the defendant knew, he had performed work activity and received earnings in connection with Wendover Corporation between on or about June 11, 2001, and on or about January 8, 2006.

In violation of Title 18, United States Code, Section 1001(a)(2).

**COUNT SIX**

(False Statement)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One and paragraph 2 of Count Two of this indictment are incorporated here.

2. SSA provides Form SSA-795, "Statement of Claimant," to individuals applying for or receiving benefits from SSA. Form SSA-795 allows individuals who are applying for or receiving benefits from SSA to make a statement concerning their benefits or eligibility to receive benefits.

3. On or about January 16, 2008, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

in a matter within the jurisdiction of the Social Security Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations in that defendant LARRY DUPREE, JR. denied that he had engaged in work activity since June 2001 for Wendover Corporation, and stated that his father had worked for Wendover Corporation, in a "Statement of Claimant," Form SSA-795, and provided the document to the Social Security Administration, when, as the defendant knew, he, and not his father, had performed work activity and received earnings in connection with Wendover Corporation between on or about June 11, 2001, and on or about January 8, 2006.

In violation of Title 18, United States Code, Section 1001(a)(2).



**COUNT SEVEN**

(False Statement)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One and paragraph 2 of Count Four of this indictment are incorporated here.
2. SSA provides Form SSA-821-BK, "Work Activity Report," to individuals applying for or receiving benefits from SSA. Form SSA-821-BK requires individuals who are applying for or receiving benefits from SSA to disclose their employment information in order for SSA to determine their initial or continued benefit eligibility.
3. On or about September 2, 2009, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

in a matter within the jurisdiction of the Social Security Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations in that defendant LARRY DUPREE, JR. denied that he had engaged in work activity in 2008, when going over a "Work Activity Report," Form SSA-821-BK, with a Social Security Claims Representative, and provided the document to the Social Security Administration, when, as the defendant knew, he had performed work activity for and received earnings from A-1 International Courier, Inc. and Subcontracting Concepts LLC., between on or about April 14, 2008, and on or about June 18, 2009.

In violation of Title 18, United States Code, Section 1001(a)(2).

**COUNT EIGHT**

(False Statement)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 9 of Count One and paragraph 2 of Count Four of this indictment are incorporated here.

2. SSA provides Form SSA-16-K, "Application for Disability Insurance Benefits," to individuals applying for disability benefits from SSA. Form SSA-16-K requires individuals who are applying for disability benefits from SSA to disclose personal information, including current and past income in order for SSA to determine their benefit eligibility.

26. On or about September 2, 2009, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

in a matter within the jurisdiction of the Social Security Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations in that defendant LARRY DUPREE, JR. denied that he had engaged in work activity in 2008 or 2009, in an "Application for Disability Insurance Benefits," Form SSA-16-K, and provided the document to the Social Security Administration, when, as the defendant knew, he had performed work activity for and received earnings from A-1 International Courier, Inc. and Subcontracting Concepts LLC., between on or about April 14, 2008, and on or about June 18, 2009.

In violation of Title 18, United States Code, Section 1001(a)(2).

**COUNT NINE**

(Social Security Fraud - Fraudulent Representation of a Social Security Account Number)

**THE GRAND JURY FURTHER CHARGES THAT:**

1. The Pennsylvania Department of Labor and Industry, an agency of the Commonwealth of Pennsylvania, administered certain benefit programs, including the provision of unemployment compensation benefits. The unemployment compensation benefits program provided benefits to qualifying individuals who had previously worked, and then subsequently became unemployed. Benefits continued for up to twenty-six weeks or until the individual returned to work.

2. On or about January 8, 2006, defendant LARRY DUPREE, JR. applied for unemployment compensation benefits from the Pennsylvania Department of Labor and Industry and, in support of his application, provided a Social Security account number that was not issued to him and which contained the first four digits "1707."

3. As a result of the approval of this application, defendant LARRY DUPREE, JR. received 26 weeks of unemployment compensation benefits in the amount of approximately \$6,682.

4. On or about January 8, 2006, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

with intent to deceive, and for the purpose of obtaining unemployment compensation benefits, falsely represented to the Pennsylvania Department of Labor and Industry, that a Social Security account number with the first four digits "1707," had been assigned to him by the Commissioner

of Social Security when, in fact, such number was not the Social Security account number assigned to him.

In violation of Title 42, United States Code, Section 408(a)(7)(B).

## COUNT TEN

(Social Security Fraud - Fraudulent Representation of a Social Security Account Number)

### **THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraph 1 of Count Nine of this indictment is incorporated here by reference.
2. On or about January 7, 2007, defendant LARRY DUPREE, JR. applied for unemployment compensation benefits from the Pennsylvania Department of Labor and Industry and, in support of his application, provided a Social Security account number that was not issued to him and which contained the first four digits "1707."
3. On or about January 24, 2007, in response to a query by an official from the Pennsylvania Department of Labor and Industry, defendant LARRY DUPREE, JR. again provided a Social Security account number that was not issued to him and which contained the first four digits "1707."
4. As a result of the approval of this application, defendant LARRY DUPREE, JR. received 26 weeks of unemployment compensation benefits in the amount of approximately \$6,266.
5. From on or about January 7, 2007 through on or about January 24, 2007, in the Eastern District of Pennsylvania, defendant

### **LARRY DUPREE, JR.,**

with intent to deceive, and for the purpose of obtaining unemployment compensation benefits, falsely represented to the Pennsylvania Department of Labor and Industry, that a Social Security account number with the first four digits "1707," had been assigned to him by the Commissioner

of Social Security when, in fact, such number was not the Social Security account number assigned to him.

In violation of Title 42, United States Code, Section 408(a)(7)(B).

**COUNT ELEVEN**

(Wire Fraud)

**THE GRAND JURY FURTHER CHARGES THAT:**

**INTRODUCTION**

1. Paragraphs 1 through 3 of Count Nine and paragraphs 1 through 4 of Count Ten of this indictment are incorporated here.

2. In 2007, claims for unemployment compensation benefits with the Pennsylvania Department of Labor and Industry lasted for one year (52 weeks). Individuals were only eligible to apply for, and receive, 26 weeks of unemployment compensation benefits one time during a 52 week period. As such, individuals were precluded from renewing their applications to receive additional unemployment compensation benefits until 52 weeks had passed since their previous application.

**THE SCHEME TO DEFRAUD**

3. On or about October 21, 2007, defendant LARRY DUPREE, JR. devised and intended to devise a scheme to defraud the Commonwealth of Pennsylvania Department of Labor and Industry and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

4. It was the object of the scheme described in paragraph 3 for defendant LARRY DUPREE, JR. to receive and continue to receive unemployment compensation benefits to which he was not entitled.

**MANNER AND MEANS**

It was part of the scheme that:

5. Defendant LARRY DUPREE, JR. used the internet to apply for and receive unemployment compensation benefits from the Pennsylvania Department of Labor and Industry two months before he was eligible to renew his application for benefits.

6 In order to prevent the Pennsylvania Department of Labor and Industry from realizing that he had applied for and received benefits within the previous 52 weeks, defendant LARRY DUPREE, JR. used his actual Social Security account number (first four digits "1567") and provided a different mailing address from the one he used in his previous applications.

7. Defendant LARRY DUPREE, JR. received 26 weeks of payments of which he was not entitled and defrauded that Pennsylvania Department of Labor and Industry out of approximately \$7,100.

8. On or about October 21, 2007, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below:

<b>COUNT</b>	<b>DATE</b>	<b>DESCRIPTION</b>
11	October 21, 2007	Online internet filing for unemployment compensation using a different SSN and address from his previous applications in order to obtain benefits.

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



## **COUNTS TWELVE THROUGH FOURTEEN**

(Wire Fraud)

### **THE GRAND JURY FURTHER CHARGES THAT:**

1. Paragraph 2 of Count Four and paragraph 1 of Count Nine of this indictment are incorporated here.

### **THE SCHEME TO DEFRAUD**

2. From on or about July 12, 2008 through on or about April 25, 2009, defendant LARRY DUPREE, JR. devised and intended to devise a scheme to defraud the Commonwealth of Pennsylvania Department of Labor and Industry and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

3. It was the object of the scheme described in paragraph 2 for defendant LARRY DUPREE, JR. to receive and continue to receive unemployment compensation benefits to which he was not entitled.

### **MANNER AND MEANS**

It was part of the scheme that:

4. Defendant LARRY DUPREE, JR. used the internet to apply for and receive unemployment compensation benefits from the Pennsylvania Department of Labor and Industry at the same time that he was working and receiving income and therefore ineligible to receive such benefits.

5. Defendant LARRY DUPREE, JR. failed to disclose that he was working for and receiving income from A-I International, Inc. and Subcontracting Concepts LLC.

6. Defendant LARRY DUPREE, JR. received 46 weeks of payments to which he was not entitled and defrauded the Pennsylvania Department of Labor and Industry out of approximately \$11,841.

7. On or about the dates set forth below, in the Eastern District of Pennsylvania, defendant

**LARRY DUPREE, JR.,**

for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

<b>COUNT</b>	<b>DATE</b>	<b>DESCRIPTION</b>
12	July 12, 2008	Online internet filing for unemployment compensation while concealing that he was working and earning income
13	November 29, 2008	Online internet filing for unemployment compensation while concealing that he was working and earning income
14	April 25, 2009	Online internet filing for unemployment compensation while concealing that he was working and earning income

All in violation of Title 18, United States Code, Section 1343.

**NOTICE OF FORFEITURE**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

1. As a result of the violations of Title 18, United States Code, Section 641 and 1343, set forth in this indictment, defendant

**LARRY DUPREE, JR.**

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses, including, but not limited to the sum of approximately \$120,352.40.

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

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (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 divided without difficulty,

it is the intent of the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(c), Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c), and Title 18,  
United States Code, Section 981(a)(1)(c).

**A TRUE BILL:**

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**GRAND JURY FOREPERSON**

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**ZANE D. MEMEGER**  
**United States Attorney**