

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

UNITED STATES OF AMERICA

v.

PEDRO SANCHEZ,

Case No.:

Violations:

Title 18, United States Code,
Sections 1343, 1349, and 2

CRIMINAL COMPLAINT

I, Joel Loranger, the complainant in this case, being duly sworn, state that the following is true and correct to the best of my knowledge and belief:

Count 1

Wire Fraud Conspiracy

Beginning on approximately January 12, 2018, and continuing until approximately January 26, 2018, in the District of Maine and elsewhere, the defendant, **Pedro Sanchez**, did knowingly combine, conspire, confederate and agree, with others known and unknown, to commit the following offense against the United States: to devise a scheme and artifice to obtain money by means of material false and fraudulent pretenses and representations, and thereafter to execute the scheme and artifice so devised, to transmit or cause to be transmitted by wire communications in interstate commerce, certain signals, writings and sounds, and attempted to do so, in violation of 18 U.S.C. § 1343, all in violation of 18 U.S.C. § 1349.

Manner and Means of Conspiracy

The manner and means by which the object of the conspiracy was to be accomplished included the following:

1. It was part of the conspiracy that the defendant and at least one other coconspirator falsely convinced an elderly female living in Maine that she owed a significant amount of money and would be arrested if she did not pay the debt.
2. It was further part of the conspiracy that the defendant and at least one other coconspirator convinced the elderly female to withdraw funds from her credit card and to deposit them from a bank in Maine into the defendant's bank account in another state.

Count 2

Wire Fraud

The Scheme to Defraud

Beginning on approximately January 12, 2018, and continuing until approximately January 26, 2018, in the District of Maine and elsewhere, the defendant, **Pedro Sanchez**, did devise a scheme and artifice to obtain money by means of material false and fraudulent pretenses and representations, in that he attempted to have funds deposited into his bank account based on a false representation that the depositor owed the defendant money, and in so doing attempted to cause wire communications to be transmitted in interstate commerce.

Interstate Wires

On or about January 12, 2018, at a Bank of America in the District of Maine, the defendant Pedro Sanchez, for the purpose of executing the aforementioned material scheme and artifice to defraud, and for obtaining money by means of material false and fraudulent pretenses and representations, did knowingly attempt to cause to be transmitted in interstate commerce wire communications between a financial institution in Maine and an institution in another state,

and did aid and abet this conduct, which represented the sending of money in the amount of approximately \$5,000, in violation of 18 U.S.C. §§ 1343, 2.

Count 3

Wire Fraud Conspiracy

Beginning on approximately February 5, 2018, and continuing until approximately February 23, 2018, in the District of Maine and elsewhere, the defendant, **Pedro Sanchez**, did knowingly combine, conspire, confederate and agree, with others known and unknown, to commit the following offense against the United States: to devise a scheme and artifice to obtain money by means of material false and fraudulent pretenses and representations, and thereafter to execute the scheme and artifice so devised, to transmit or cause to be transmitted by wire communications in interstate commerce, certain signals, writings and sounds, and attempted to do so, in violation of 18 U.S.C. § 1343, all in violation of 18 U.S.C. § 1349.

Manner and Means of Conspiracy

The manner and means by which the object of the conspiracy was to be accomplished included the following:

1. It was part of the conspiracy that the defendant and at least one other coconspirator would obtain banking account information from elderly individuals living in the state of Maine.
2. It was further part of the conspiracy that the defendant and at least one other coconspirator would submit false claims to a third-party payment processor that would attempt to obtain funds from the bank accounts of the elderly individuals.

Counts 4-6

Wire Fraud

The Scheme to Defraud

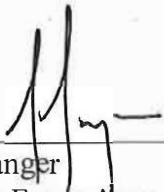
Beginning on approximately February 5, 2018, and continuing until approximately February 23, 2018, in the District of Maine and elsewhere, the defendant, **Pedro Sanchez**, did devise a scheme and artifice to obtain money by means of material false and fraudulent pretenses and representations, in that he attempted to have funds deposited into his own bank account from other Maine-based bank accounts based on false claims submitted to a third-party payment processor, and in so doing caused, and attempted to cause, wire communications to be transmitted in interstate commerce.

Interstate Wires

On or about the dates in the table below, at the locations listed below, in the District of Maine, the defendant Pedro Sanchez, for the purpose of executing the aforementioned material scheme and artifice to defraud, and for obtaining money by means of material false and fraudulent pretenses and representations, did knowingly cause and attempt to cause to be transmitted in interstate commerce wire communications between a financial institution in Maine and an institution in another state, which represented the sending of money in the amounts listed in the table below, in violation of 18 U.S.C. § 1343.

Count	Date	Defendant	Transaction	Amount
4	2/5/2018	Sanchez	Five County Credit Union	\$379
5	2/20/2018	Sanchez	Katahdin National Bank	\$379
6	2/23/2018	Sanchez	Skowhegan Savings Bank	\$379

The complainant states that this complaint is based on the attached affidavit, which is incorporated by reference herein.



Joel Loranger
FBI Task Force Agent

SWORN AND SUBSCRIBED TO before me
this 20th day of May, 2019 at Bangor.



JOHN C. NIVISON
UNITED STATES MAGISTRATE JUDGE

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINT

I, Joel Loranger, being first duly sworn, hereby depose and state as follows:

1. I have been employed as a Police Officer with the Westbrook Police Department for 5 ½ years. Prior to that, I was employed as a Police Officer with the Torrance, CA Police Department for 7 years. I was also employed at KeyBank as a Financial Crimes Investigator (FCI) for a period of 3 years and am a credentialed Certified Fraud Examiner. I have been a Task Force Officer (TFO) with the FBI since September 2015, and am assigned to the Boston Division, Portland, Maine Resident Agency. In my capacity as a FCI and a TFO, I have investigated federal violations, including wire and mail fraud, bank fraud, money laundering, and identity theft, and I have participated in and conducted numerous white collar criminal investigations. As a TFO, I have participated in several arrest and search warrants pertaining to said investigations.

2. I submit this Affidavit in support of a criminal complaint charging Pedro Miguel Sanchez ("Sanchez") with six counts of conspiracy to commit wire fraud and wire fraud, in violation of Title 18 U.S.C. §§ 1343, 1349 and 2. As described below, Counts 1-2 involve Victim A and Counts 3-6 involve Victims B, C and D.

3. This affidavit is made in support of an arrest warrant and criminal complaint and is intended to provide facts necessary for a determination of probable cause. These facts are based on my personal knowledge, information obtained during my participation in this investigation, information from other law enforcement professionals, my review of documents, recordings, and other relevant records related to this investigation, as well as other information gleaned through training and experience.

PROBABLE CAUSE

4. On or about January 5, 2018, a Grasshopper cell phone account (888-467-6621) (hereinafter "Grasshopper 6621 account") was established in the name of Stephanie Mikula, XXX XXXXXXXX Drive, Ashland, WI 54806. The Grasshopper 6621 account had the following call forwarding numbers: (1) 310-910-4603 (hereinafter "telephone number 4603"); (2) 516-309-7939 (hereinafter "telephone number 7939"); (3) 321-805-0564 (hereinafter "telephone number 0564"); and (4) 281-383-0549 (hereinafter "telephone number 0549"). The Grasshopper 6621 account was established on-line using the IP address 67.8.172.176.

5. Beginning on January 12, 2018, an individual living in Brunswick, Maine (hereinafter "Victim A") began receiving telephone calls from the Grasshopper 6621 account and telephone number 844-200-4367 (hereinafter "telephone number 4367") from a female caller. Victim A was 82 years old at the time and lived alone. The female caller told Victim A that she owed a lot of money. The female caller stated that if Victim A did not pay the money, the female caller would get a warrant for Victim A's arrest, have Victim A handcuffed, and take Victim A to jail. The female caller further stated that Victim A would have to pay for a lawyer to challenge the arrest warrant which would cost a lot of money and take 12-14 years to clear up.

6. Victim A stated that the female caller did not say why Victim A owed the money but Victim A was scared and did not want to be arrested so she agreed to pay the money.

7. Once Victim A agreed to pay the money, Victim A began receiving calls from a male caller who said he was with the Brunswick Police Department. The male caller did not tell Victim A how much money she owed but said it was several thousand dollars.

8. Victim A told the male caller that she did not have enough cash to pay what she allegedly owed. Victim A told the male caller that she had deposit accounts at Norway Savings

Bank and Bath Savings Bank. The male caller told Victim A that she would need to take out cash advances on her credit cards to pay the debt. Victim A did not know how to take out cash advances so the male caller explained to Victim A how to do so. Victim A learned that Norway Savings Bank did not have a credit card cash advance machine so Victim A went to Bath Savings Bank and withdrew more than \$5000 in a credit card cash advance.

9. The male caller then provided Victim A with a Bank of America account number of 898082951839 (hereinafter "BOA Account"). The male caller told Victim A to go to her local Bank of America and deposit the credit card cash advance funds into the BOA Account that he had provided to her. The male caller warned Victim A to not show the BOA Account number to anyone other than a Bank of America employee.

10. On or about January 12, 2018, Victim A went to the local Bank of America and attempted to deposit the funds into the BOA Account. The Bank of America employee told Victim A that she was being scammed and told Victim A to put the money into her own bank account.

11. A few days later, the male caller called Victim A and wanted to know why she did not deposit the money as instructed into the BOA Account. Victim A told the male caller what had happened at the local Bank of America location on January 12, 2018.

12. At this time, the male caller instructed Victim A to purchase gift cards and provide the gift card PIN numbers to the male caller. Records reveal multiple calls from Victim A to the Grasshopper 6621 account between January 12, 2018 and January 26, 2018 which were then forwarded to telephone numbers 4603 and 0549. These calls corresponded with multiple gift card purchases from local stores by Victim A. The funds from Victim A's gift cards were

distributed to a variety of accounts and credit cards. In total, Victim A lost more than \$10,300 in gift card purchases.

13. The BOA Account was opened on October 17, 2017, by an individual named Pedro M Sanchez ("Sanchez") under the name First Lead, LLC ("First Lead"). Sanchez identified himself as the manager of First Lead and provided his Florida Driver's License, #S-XXX-XXX-90-350-0 in order to verify his identity. Subsequent account statements identified the First Lead business address as 726 Eagle Ave, Longwood, FL 32750.

14. A review of the BOA Account statements for February, 2018 identified five deposits into the BOA Account that totaled \$45,335.80, from an entity named Payliance ("Payliance"). Sanchez withdrew the funds through a series of large cash withdrawals and point-of-sale transactions.

15. Payliance is a third-party payment processor specializing in Automated Clearing House ("ACH") transactions. On January 3, 2018, Sanchez opened an account with Payliance titled in the name "First Lead, LLC." Sanchez provided the following identifying information to Payliance at account opening: ADDRESS: 726 Eagle Ave, Longwood, FL 32750; DATE OF BIRTH: XX/XX/1990; SSAN: XXX-XX-2675; TELEPHONE NUMBER: 407-879-3156; BANK ACCOUNT: Bank of America account number 898082951839. Sanchez also provided his email address as firstlead321@gmail.com (hereinafter "Gmail Account"). Further investigation determined that in addition to the Grasshopper 6621 account, IP address 67.8.172.176 was also used to establish the Gmail Account.

16. The ACH request process works as follows: The Merchant, in this case Sanchez, submits a payment request through Payliance via a secure folder. The request, known as a Transaction Origination Request, contains payment processing instructions to include the payer

name, payer routing and account numbers, and the amount of money payer owes. Payliance then creates a document pursuant to Sanchez's request and provides the document to the payer's institution. Payliance processes the payment and the funds are subsequently transferred via ACH from the payer's account into Sanchez's BOA Account.

17. From February 2, 2018 to February 28, 2018, Sanchez submitted approximately 745 Transaction Origination Requests totaling approximately \$282,930. On or about February 26, 2018, Payliance flagged Sanchez's account due to an excessive amount of returned payments.

18. On February 27, 2018, Payliance contacted Sanchez via the Gmail Account and requested "Proof of Authorizations" for the following three returned transactions: Transaction ID 200000001A/ Check Date: 02/02/18 / Account # ending in 2569 (returned as Fraudulent); Transaction ID 200000004A/ Check Date: 02/2/18 / Account# ending in 5992 (returned as Unauthorized); Transaction ID 130020015A / Check Date: 02/12/18 / Account # ending in 2518 (returned as Fraudulent).

19. On February 19, 2018, Sanchez provided to Payliance, via the Gmail Account, three audio recordings purporting to be from the account holders for the accounts ending in 2569, 5992, and 2518. These audio recordings allegedly authorized the transactions pertaining to the requested Transaction IDs. Sanchez signed the email as "Pedro".

20. "2569 Account Holder", date of birth ("DOB") XX/XX/1945, was the signer on account number ending in 2569; "5992 Account Holder", DOB XX/XX/1956, was the signer on account number ending in 5992; and "2518 Account Holder", DOB XX/XX/1944, was the signer on account number ending in 2518.

21. On September 24, 2018, Affiant interviewed 5992 Account Holder via telephone. 5992 Account Holder stated that she received a phone call from an Unknown Subject (hereinafter "Unsub") in February 2018 who claimed to be a Medicare representative. Unsub told 5992 Account Holder that if 5992 Account Holder paid \$380.00 then she could use her Medicare card to obtain free medical prescriptions for the rest of her life. 5992 Account Holder agreed to pay the \$380.00 to benefit from free medical prescriptions for life. 5992 Account Holder later followed up with Medicare, at which time she was advised that no such program exists and that she had been scammed. 5992 Account Holder reported the fraudulent transaction to Bank of America. 5992 Account Holder was not told the telephone call with Unsub was being recorded and any existing recording of her would be "phony." 5992 Account Holder described Unsub as a male "with an accent who sounded like a foreigner."

22. On September 25, 2018, Affiant interviewed 2569 Account Holder via telephone. 2569 Account Holder stated that he "vaguely remembered" a telephone call with an unknown subject ("Unsub") in approximately February 2018 but he could not remember details of the call. 2569 Account Holder did not think he provided the caller with his bank account number. 2569 Account Holder reported the fraudulent transaction in the amount of \$380.00 to Bank of America as soon as he saw it. 2569 Account Holder did not give anyone permission to withdraw the funds out of his account. 2569 Account Holder was not told the phone call was being recorded and asserted that the existence of any such recording would be "fraudulent." 2569 Account Holder described the Unsub as a male with a foreign accent.

23. A further review of Sanchez's Payliance transactions identified returned payments from three Maine-based subjects: (1) February 5, 2018, a transaction in the amount of \$379.00 from Five County Credit Union ("FCCU") account number ending in 6054 titled to an individual

living in Maine (“Victim B”); payment returned to a closed account; (2) February 20, 2018, a transaction in the amount of \$379.00 from Katahdin National Bank (“KNB”) account number ending in 0529 titled to an individual living in Maine (“Victim C”); this payment was not returned; and (3) February 23, 2018, a transaction in the amount of \$379.00 from Skowhegan Savings Bank (“SSB”) account number ending in 3650 titled to an individual living in Maine (“Victim D”); payment returned to a closed account.

24. On December 6, 2018, Affiant interviewed Victim B, DOB XX/XX/1933, at her residence in Maine. Victim B stated that in approximately December 2017, Victim B received a call from an Unsub who alleged to be from the Social Security Administration (SSA). Victim B provided Unsub with her DOB, SSN, and bank routing and checking account numbers. Affiant asked Victim B about the \$379.00 transaction from account 6054. Victim B could not remember that specific payment, but indicated the account was closed on January 29, 2018. Victim B stated that a FCCU employee called her and stated that an Unsub had called FCCU to ask if Victim B had enough money in her account to cover a \$400.00 withdrawal. The Unsub provided the bank employee with Victim B’s account number so Victim B closed the account.

25. Victim C passed away on January 6, 2018. On December 6, 2018, Affiant interviewed Victim C’s son (“Scott”). Scott stated that Victim C (DOB XX/XX/1933) had Alzheimer’s for approximately seven years prior to her death. Scott stated that due to her diminished mental capacity, Victim C would often give out her bank account number, which she got from her checkbook, and had been defrauded on numerous occasions. Scott stated that Victim C received ten to twelve fraud calls per day. Scott believed the (above referenced) \$379.00 was “from a company out of Florida” that charged Victim C for “computer repair.” Scott closed the SSB account after Victim C passed away.

26. On March 29, 2019, Affiant interviewed Victim D, DOB XX/XX/1936, via telephone, and asked her about the above referenced \$379.00 transaction. Victim D stated that around that time (February 2018) she received a call from an Unsub that was “trying to get money out of [me].” Victim D stated that Unsub had Victim D’s account number. When Victim D asked how Unsub got her account number, Unsub hung up the phone. Victim D called KNB and had them transfer her money from the checking account into her savings account. Victim D did not recognize, nor has she ever done business with, First Lead, LLC. Victim D did not give First Lead permission to withdraw any money from her account. Victim D’s sons Jerry and Leo manage her account and pay her bills for her.

CONCLUSION

Based on the foregoing facts, I respectfully submit that probable cause exists to believe that Sanchez conspired to commit wire fraud. I therefore request that the Court issue a criminal complaint charging Sanchez with six counts of violating 18 U.S.C. §§ 1343, 1349 and 2.

I, Joel Loranger, hereby swear, under oath, that the information set forth in this affidavit is true and correct to the best of my knowledge, information, and belief, and I make this oath under penalties of perjury.



Joel Loranger
Task Force Agent
FBI

Subscribed and sworn to before me this 20th day of May, 2019 at Bangor.



John C. Nivison
United States Magistrate Judge