

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 8:19 cr 587 T 33 AEP

LORI OWEN
a/k/a Lori Corrigan

18 U.S.C. § 1349
18 U.S.C. § 1343
18 U.S.C. § 1341
18 U.S.C. § 1028A
18 U.S.C. § 1957

SEALED

INDICTMENT

The Grand Jury charges:

COUNT ONE
Wire Fraud Conspiracy
18 U.S.C. 1349

A. Introduction

At times relevant to this Indictment:

Overview of Fraud Scheme

1. A "call center" was an organization, typically located abroad, staffed by individuals who called, emailed, or texted potential victims, often residing in the United States, and caused those victims to send money to the defendant and other conspirators by using false and fraudulent means, including Internal Revenue Service (IRS) Impersonation Fraud and Canadian Tax Impersonation Fraud.

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MIDDLE DISTRICT OF FLORIDA
TAMPA, FLORIDA
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2. Call centers located abroad, often in India, impersonated IRS and Canadian tax officers and misled individuals to believe that they owed money to the IRS or Canadian tax authorities and would be arrested and fined if they did not pay their alleged back taxes immediately.

Definitions

3. Personally identifiable information (“PII”) included an individual’s name, date of birth, social security number, and other information that could be used on its own or with other information to identify, contact, or locate the individual.

4. A “money services business” offered various financial services to customers for a fee. Such services included the sale of money orders and the wire transfer of funds from one location to another, both within the U.S. and abroad.

5. “Prepaid stored value cards” were cards that had monetary value placed onto them by purchasers, usually up to \$500, often referred to as Visa gift cards. Some of these prepaid stored value cards could be “reloaded.” Such cards were referred to as general purpose reloadable cards, or GPR cards, that could be used like a debit card without being associated with a personal bank, but had to be activated with the means of identification of an actual individual.

- (i) Blackhawk Network Holdings (Blackhawk) was an entity that, among other things, sold a GPR card known as “PayPower.” In order to fund such GPR cards, the cards were required to be registered telephonically or online by providing, among other things, a name, address, telephone number, date of birth and social security number.
- (ii) There were several ways to liquidate GPR cards like PayPower, including making retail purchases or through a merchant processor.

6. A “merchant processor” handled the processing of financial instruments for various types of merchants, including service options that allow a merchant to accept and make payments via electronic transfer, including from a prepaid stored value card and to a bank account.

The Defendant and the Roles in the Conspiracy

7. The conspirators held one or more of the following roles in furtherance of the conspiracy:

- a. Callers: “Callers” made fraudulent calls, and/or sent fraudulent text messages and emails, to victims in the U.S. and elsewhere, purporting to be U.S. or Canadian government officials in order to extract payments from victims.

b. Payment Processors: Among other acts, “Payment Processors” instructed victims to make payments and facilitated the movement of victims’ funds throughout the United States.

c. Runners: “Runners” were located in the United States and typically operated within a specific geographic region. Runners retrieved payments made by victims and returned those fraud proceeds, less the Runners’ payments, to Domestic Managers, as directed.

d. Domestic Managers: “Domestic Managers” were located in the United States and directed the Runners’ activities. Domestic Managers were often the direct points of contact with coconspirators in India.

8. Defendant LORI OWEN, a/k/a Lori Corrigan, who lived in Palm Harbor, Florida, operated as both a Runner and a Domestic Manager within the Middle District of Florida and elsewhere. As a Runner, the defendant received money transfers from victims. As a Domestic Manager, the defendant, along with David Owen and other coconspirators, recruited, hired, and directed Runners to retrieve wire and money transfers sent by victims; obtained and managed online access to Runners’ bank accounts; incorporated straw companies; opened corporate and personal bank accounts to receive fraud proceeds; received checks and cash equivalents mailed from victims to Florida; and opened merchant accounts to accept and process the proceeds of

prepaid stored value cards purchased by victims. The defendant and coconspirators collected fraud proceeds from the Runners and disbursed the proceeds in accordance with directions received from India-based coconspirators.

B. The Conspiracy

9. Beginning on an unknown date, but no later than in or around July 2015, and continuing through at least December 2015, in the Middle District of Florida and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

did knowingly and willfully combine, conspire, confederate, and agree with David Owen, Andrew Corrigan, and other persons, both known and unknown to the Grand Jury, to commit wire fraud, in violation of 18 U.S.C. § 1343.

C. Manner and Means of the Conspiracy

10. The manner and means by which the conspirators sought to accomplish the objects of the conspiracy included, among others, the following:

a. It was a part of the conspiracy that conspirators would and did engage in a scheme to obtain money from victims by calling them and making false and fraudulent—and at times threatening—misrepresentations;

b. It was a further part of the conspiracy that conspirators would and did falsely and fraudulently represent themselves to be U.S. or Canadian government officials and would and did obtain money from said victims by threatening victims with prosecution and/or arrest for failure to pay taxes purportedly due and owing;

c. It was a further part of the conspiracy that conspirators would and did open, and cause to be opened, bank accounts in conspirators' names at various federally-insured financial institutions in the Middle District of Florida and elsewhere;

d. It was a further part of the conspiracy that conspirators would and did recruit others, referred to as straw-account owners, to open, and cause to be opened, bank accounts in their names at various federally-insured financial institutions in the Middle District of Florida and elsewhere;

e. It was a further a part of the conspiracy that conspirators would and did instruct the straw-account owners to obtain online banking access, including account numbers and passwords, when the straw accounts were opened;

f. It was a further part of the conspiracy that conspirators would and did use the online banking access to the straw accounts to monitor,

via the internet, deposits from victims and withdrawals effectuated by straw-account owners;

g. It was a further part of the conspiracy that conspirators would and did direct and instruct victims to pay cash or purchase prepaid stored value cards so as to conceal the identities of the victims, make it more difficult to identify victims, and otherwise conceal the nature and sources of the financial transactions;

h. It was a further part of the conspiracy that conspirators would and did use the straw accounts, including a conspirator's accounts, to receive fraud proceeds from victims;

i. It was a further part of the conspiracy that conspirators would and did communicate with straw-account owners to provide the victims' names, locations, and amounts of deposits in order to facilitate the withdrawal of victims' funds at the banks, and would and did instruct and direct straw-account owners to lie and make false representations to banks as to the purpose of deposits and their relationships with victims;

j. It was a further part of the conspiracy that conspirators, shortly after confirming victims' deposits via online banking access, would and did instruct straw-account owners to withdraw the funds in cash and to remit

the cash to conspirators, often less a payment to the straw-account owner for opening the account or conducting the transaction;

k. It was a further part of the conspiracy that conspirators would and did contact merchant processors, open merchant accounts controlled by conspirators, and direct that proceeds from the merchant accounts be deposited into bank accounts opened and controlled by defendant and another co-conspirator;

l. It was a further part of the conspiracy that conspirators would and did process, swipe and otherwise cash the prepaid stored value cards into merchant accounts controlled by conspirators;

m. It was a further part of the conspiracy that conspirators would and did utilize straw-account owners and prepaid stored value cards to conceal conspirators' receipt of fraud proceeds;

n. It was a further part of the conspiracy that U.S.-based conspirators would and did cause (1) the withdrawal of fraud proceeds from bank accounts conspirators controlled; (2) the retrieval of fraud proceeds from money services businesses; and (3) the deposit of checks and cash equivalents into bank accounts conspirators controlled;

o. It was a further part of the conspiracy that U.S.-based conspirators would and did transfer a portion of the fraud proceeds, less the

U.S.-based conspirators' payments, to India-based conspirators via foreign wire transfers;

p. It was a further part of the conspiracy that conspirators would and did direct and cause victims to transfer funds or cash equivalents via interstate wires, often to conceal from law enforcement agencies and financial institutions the identities of the victims, the nature of the financial transactions, and the sources of the fraud proceeds;

q. It was a further part of the conspiracy that conspirators would and did share in the fraud proceeds, usually receiving percentages commensurate with their respective roles, for their personal enrichment and entertainment;

r. It was a further part of the conspiracy that conspirators would and did use some of the fraud proceeds to promote and perpetuate the scheme; and

s. It was a further part of the conspiracy that conspirators would and did engage in multiple meetings, perform acts, and make statements to promote and achieve the objects of the conspiracy and to misrepresent, hide, and conceal, and cause to be misrepresented, hidden, and concealed, the purpose of the conspiracy and the acts committed in furtherance thereof.

All in violation of 18 U.S.C. § 1349.

COUNTS TWO THROUGH ELEVEN

**Wire Fraud
18 U.S.C. § 1343**

A. Introduction

1. The Grand Jury realleges and incorporates by reference Paragraphs One through Eight of Count One of this Indictment as if fully set forth herein.

B. The Scheme and Artifice

2. Beginning on an unknown date, but no later than in or around July 2015, and continuing through at least December 2015, in the Middle District of Florida and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

knowingly devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

C. Manner and Means of the Scheme and Artifice

3. The manner and means of the scheme and artifice are set forth in Paragraphs 10(a) through 10(s) of Count One of this Indictment, and those paragraphs are hereby realleged and incorporated by reference as if fully set forth herein.

D. Execution of the Scheme and Artifice

4. On or about the dates set forth below, in the Middle District of Florida and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

for the purpose of executing the scheme and artifice described above, knowingly and intentionally transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce the writings, signs, signals, pictures, and sounds described below, each transmission constituting a separate count:

| COUNT | DATE OF WIRE | DESCRIPTION OF WIRE |
|--------------|--------------------|---|
| TWO | September 25, 2015 | Electronic transaction processed by Defendant located in Florida through Merchant Processor PowerPay located in North Carolina in order to transfer \$499 from victim J.M.'s card ending in 7235 to TD Bank business account ending in 8283 |
| THREE | September 30, 2015 | Electronic transmittal of \$5001 cash deposit from victim J.M. at Wells Fargo Bank branch in Nebraska to Wells Fargo Bank account ending in 3371 in Florida in the name of Defendant |

| COUNT | DATE OF WIRE | DESCRIPTION OF WIRE |
|--------------|------------------|--|
| FOUR | October 5, 2015 | Electronic transaction processed by Defendant in Florida through Merchant Processor Cybersource located in California in order to transfer \$500 from victim J.S.'s card ending in 7883 to TD Bank business account ending in 8283 |
| FIVE | October 5, 2015 | Electronic transaction processed by Defendant located in Florida through Merchant Processor Cybersource located in California in order to transfer \$500 from victim J.S.'s card ending in 1871 to TD Bank business account ending in 8283 |
| SIX | October 5, 2015 | Electronic transaction processed by Defendant located in Florida through Merchant Processor CyberSource located in California in order to transfer \$500 from victim J.S.'s card ending in 0215 to TD Bank business account ending in 8283 |
| SEVEN | October 16, 2015 | MoneyGram money transfer of \$1825.49 in victim funds from runner K.D. to Defendant |
| EIGHT | October 19, 2015 | MoneyGram money transfer of \$2034.31 in victim funds from runner K.D. to Defendant |
| NINE | December 4, 2015 | MoneyGram money transfer of \$2169.68 from victim D.S. to Defendant |
| TEN | December 4, 2015 | MoneyGram money transfer of \$2169.68 from victim D.S. to Defendant |

| COUNT | DATE OF WIRE | DESCRIPTION OF WIRE |
|--------|------------------|---|
| ELEVEN | December 4, 2015 | Western Union money transfer of \$2522.26 from victim D.S. to Defendant |

In violation of 18 U.S.C. §§ 1343 and 2.

COUNTS TWELVE AND THIRTEEN

**Aggravated Identity Theft
18 U.S.C. § 1028A(a)(1)**

On or about the dates listed below, in the Middle District of Florida, and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

did knowingly transfer, possess, and use, without lawful authority, a means of identification of another person, specifically, the name of a TD Bank employee, known to the United States by the initials J.K., during and in relation to a felony violation of wire fraud conspiracy in violation of 18 U.S.C. § 1349 (Count One of this Indictment), and wire fraud in violation of 18 U.S.C. § 1343 (Counts Two and Four through Six of this Indictment), knowing that such means of identification belonged to an actual person:

| COUNT | DATE | MEANS OF IDENTIFICATION |
|--------|---------------|---|
| TWELVE | June 16, 2015 | Name (and signature) of TD Bank employee in letter submitted to Merchant Processor Powerpay |

| COUNT | DATE | MEANS OF IDENTIFICATION |
|----------|---------------|--|
| THIRTEEN | June 23, 2015 | Name (and signature) of TD Bank employee in letter submitted to Merchant Processor Cybersource |

All in violation of 18 U.S.C. §§ 1028A(a)(1) and 2.

COUNTS FOURTEEN THROUGH SIXTEEN

**Mail Fraud
18 U.S.C. § 1341**

A. Introduction

1. The Grand Jury realleges and incorporates by reference Paragraphs Seven through Eight of Count One of this Indictment as if fully set forth herein.

B. The Scheme and Artifice

2. Beginning on an unknown date, but no later than in or around January 2016, and continuing through at least December 1, 2016, in the Middle District of Florida and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

did knowingly and willfully combine, conspire, confederate, and agree with other persons, both known and unknown to the Grand Jury, to commit mail fraud, in violation of 18 U.S.C. § 1341.

C. Manner and Means of the Scheme and Artifice

3. The substance of the scheme and artifice and the manner and means used to accomplish its ends included, among other things, the following:

a. It was part of the scheme and artifice that defendant and scheme participants would and did advertise opportunities for employment in connection with a purported property management business;

b. It was a further part of the scheme and artifice that defendant and scheme participants would and did hire and pay at least one individual in connection with the purported property management business (hereinafter referred to as the “Edgewater Nominee”);

c. It was a further part of the scheme and artifice that defendant and scheme participants would and did incorporate or cause to be incorporated a Florida corporation named Edgewater Elite Inc. to be used in the purported property management business, and would and did identify the Edgewater Nominee as the principal of the corporation;

d. It was a further part of the scheme and artifice that defendant and scheme participants would and did direct the Edgewater Nominee to open multiple bank accounts in the name of Edgewater Elite Inc. at various federally-insured financial institutions in the Middle District of

Florida, and would and did identify a P.O. Box as the mailing address of Edgewater Elite Inc.;

e. It was a further part of the scheme and artifice that scheme participants would and did contact victims, falsely and fraudulently represent that the victims owed certain tax obligations, and direct the victims to deposit money into Edgewater Elite Inc. bank accounts;

f. It was a further part of the scheme and artifice that scheme participants would and did contact elderly victims and falsely and fraudulently represent that said victims had won large money prizes, and would and did induce these elderly victims to send, via private commercial carrier UPS, cashier's checks made payable to Edgewater Elite Inc. by making false and fraudulent representations to the victims concerning collection of the supposed money prizes;

g. It was a further part of the scheme and artifice that defendant and scheme participants would and did direct the Edgewater Nominee to retrieve cashiers' checks sent by victims and to deposit them into Edgewater Elite Inc. bank accounts; and

h. It was a further part of the scheme and artifice that defendant and scheme participants would and did conduct these activities and make these statements and directions in a manner calculated to conceal and

cover up the fraudulent nature of this scheme and artifice, defendant's participation in the scheme, the source of the funds, and to deceive the victims.

D. Execution of the Scheme and Artifice

4. On or about the dates set forth below, in the Middle District of Florida and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

for the purpose of executing and attempting to execute the aforesaid scheme and artifice, did knowingly and intentionally cause to be placed in an authorized depository for mail matter, and cause to be deposited with any private and commercial interstate carrier, the items described below, for delivery according to the directions thereon:

| COUNT | DATE | NATURE OF MAILING |
|----------|-------------------|---|
| FOURTEEN | October 21, 2016 | UPS mailing of \$55,000 Cashier's Check to Edgewater Elite Inc. in Land O' Lakes, Florida from victim F.H. in Morganton, North Carolina |
| FIFTEEN | November 15, 2016 | UPS mailing of \$189,000 Cashier's Check to Edgewater Elite Inc. in Land O' Lakes, Florida from victim J.H. in Wyckoff, New Jersey |

| COUNT | DATE | NATURE OF MAILING |
|---------|-------------------|---|
| SIXTEEN | November 15, 2016 | UPS mailing of \$71,000 Cashier's Check to Edgewater Elite Inc. in Land O' Lakes, Florida from victim N.H. in Grants Pass, Oregon |

All in violation of 18 U.S.C. §§ 1341 and 2.

COUNTS SEVENTEEN THROUGH TWENTY
Illegal Monetary Transactions
18 U.S.C. § 1957

1. The Grand Jury realleges and incorporates by reference Paragraphs Seven and Eight of Count One of this Indictment and Paragraph Three of Counts Fourteen through Sixteen of this Indictment as if fully set forth herein.

2. On or about the dates set forth below, in the Middle District of Florida, and elsewhere, the defendant,

LORI OWEN,
a/k/a Lori Corrigan,

did knowingly engage and attempt to engage, and aided and abetted others in engaging, in the monetary transactions described below, in and affecting interstate and foreign commerce, in criminally-derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, that is mail fraud, in violation of 18 U.S.C. § 1341, specifically:

| COUNT | DATE | MONETARY TRANSACTION |
|-----------|-------------------|---|
| SEVENTEEN | October 26, 2016 | Wire Transfer of \$41,175 from BB&T Edgewater Elite Inc. account in Land O' Lakes, Florida to Canadian Imperial Bank of Commerce account in the name of Sea of Gold, 4-168 Barton Street, Stoney Creek, Ontario, Canada |
| EIGHTEEN | November 17, 2016 | Transfer of \$14,000 from TD Bank Edgewater Elite Inc. account to TD Bank LD Consulting account |
| NINETEEN | November 18, 2016 | Wire Transfer of \$155,885 from TD Bank Edgewater Elite Inc. account in Land O' Lakes, Florida to Canadian Imperial Bank of Commerce account in the name of Sea of Gold, 4-168 Barton Street, Stoney Creek, Ontario, Canada |
| TWENTY | November 18, 2016 | Wire Transfer of \$53,200 from Chase Bank Edgewater Elite Inc. account in Land O' Lakes, Florida to Canadian Imperial Bank of Commerce account in the name of Sea of Gold, 4-168 Barton Street, Stoney Creek, Ontario, Canada |

All in violation of 18 U.S.C. §§ 1957 and 2.

FORFEITURE

1. The allegations contained in Counts One through Eleven and Fourteen through Twenty of this Indictment are incorporated by reference for the purpose of alleging forfeitures pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 982(a)(1), and 28 U.S.C. § 2461(c).

2. Upon conviction of a violation of 18 U.S.C. §§ 1341 and/or 1343, or a conspiracy to violate 18 U.S.C. §§ 1341 and/or 1343 (18 U.S.C. § 1349), the defendant, LORI OWEN a/k/a Lori Corrigan, shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense.

3. Upon a conviction of 18 U.S.C. § 1957, the defendant, LORI OWEN a/k/a Lori Corrigan, shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), any property, real or personal, involved in such offense, or any property traceable to such property.

4. The property to be forfeited includes, but is not limited to, an order of forfeiture in the amount of at least \$264,260.00, which represents the proceeds obtained from the offenses as well as the amount involved in the money laundering offenses.

5. If any of the property described above, 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;

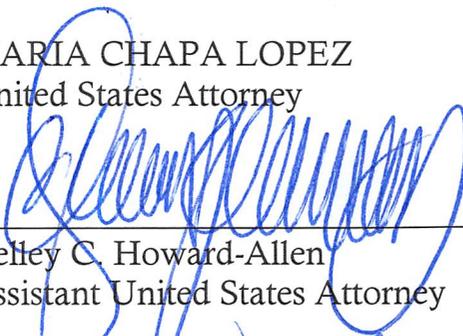
the United States of America shall be entitled to forfeiture of substitute property under the provisions of 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. § 2461(c).

A TRUE BILL,

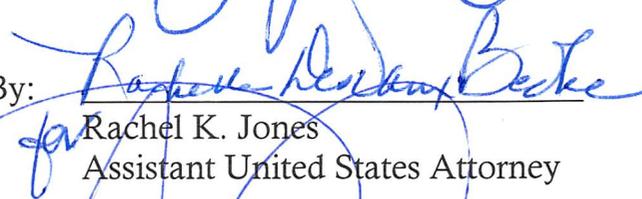


Foreperson

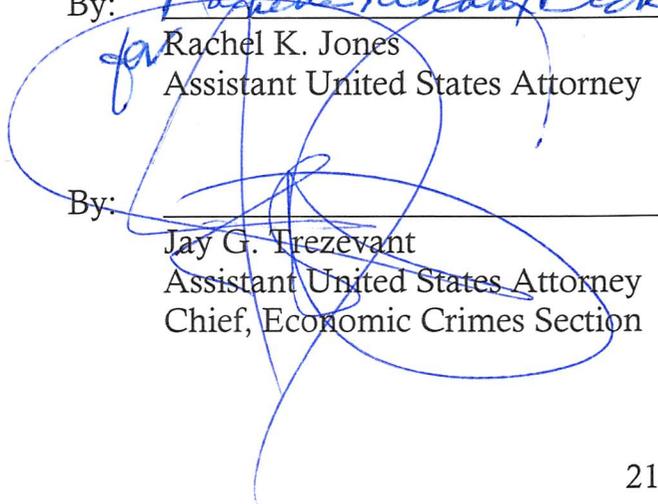
MARIA CHAPA LOPEZ
United States Attorney

By: 

Kelley C. Howard-Allen
Assistant United States Attorney

By: 

for Rachel K. Jones
Assistant United States Attorney

By: 

Jay G. Trezevant
Assistant United States Attorney
Chief, Economic Crimes Section

No.

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Middle District of Florida
Tampa Division

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THE UNITED STATES OF AMERICA

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INDICTMENT

Violations: 18 U.S.C. §§ 1349, 1343, 1341, 1028A, 1957

A true bill,



Foreperson

Filed in open court this 11th day
of December 2019.

Clerk

Bail \$ _____
