

"UNDER SEAL"

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

FILED
CHARLOTTE, NC
SEP 16 2015
US DISTRICT COURT
WESTERN DISTRICT OF NC

UNITED STATES of AMERICA,)
)
)
)
v.)
)
)
)
1) DINO NASTASI,)
2) DAVID FAIRCHILD,)
3) SABRINA MOMMERS,)
4) KRISTIAN SIERP,)
5) ROBERT JESUS VALDES FERNANDEZ,)
6) STEPHEN E. FINCK,)
7) THOMAS SNIFFEN,)
8) BARRY HARMELIN,)
9) CARLIN WOODS,)
10) PATRICIO DEL-HOYO,)
11) MICHAEL SAXON,)
12) GAVIN JORDAN, and)
13) DONALD DODT,)
Defendants)

DOCKET NO. 3:15-cr-0213-FDW

BILL OF INDICTMENT

Vio: 18 U.S.C. § 1349
18 U.S.C. § 1341
18 U.S.C. § 1343
18 U.S.C. § 1956(h)
18 U.S.C. § 1956(a)(2)(A)
18 U.S.C. § 2326
18 U.S.C. § 982
28 U.S.C. § 2461(c)
18 U.S.C. § 2

THE GRAND JURY CHARGES:

At all times relevant to this Indictment:

Background

1. "Sweepstakes schemes" are fraudulent schemes by which individuals are falsely told that they have won a large cash prize but, in order to collect, they must send a sum of money to the perpetrators of the scheme as a "fee," "duty," or for "insurance."
2. Sweepstakes schemes are often run from telemarketing call centers containing a group of telemarketers working together to perpetrate the fraud.

3. Defendant DINO NASTASI (NASTASI), a United States citizen, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
4. Defendant DAVID FAIRCHILD (FAIRCHILD), a United States citizen, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
5. Defendant SABRINA MOMMERS (MOMMERS), a United States citizen, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
6. Defendant KRISTIAN SIERP (SIERP), a United States citizen, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
7. Defendant ROBERT JESUS VALDES FERNANDEZ (VALDES), a dual citizen of the United States and Cuba, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
8. Defendant STEPHEN ERIC FINCK (FINCK), a United States citizen, managed and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
9. Defendant THOMAS SNIFFEN (SNIFFEN), a United States citizen, managed and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.

10. Defendant BARRY HARMELIN (HARMELIN), a United States citizen, worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
11. Defendant CARLIN WOODS (WOODS), a United States citizen, worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
12. Defendant PATRICIO DEL-HOYO (DEL-HOYO), a citizen of Mexico, worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
13. Defendant MICHAEL SAXON (SAXON), a Canadian citizen, worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
14. Defendant GAVIN JORDAN (JORDAN), a citizen of the Republic of Guyana, worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
15. Defendant DONALD DODT (DODT), a United States citizen, worked for one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.
16. Co-conspirator Elliott Rosenberg (Rosenberg), a United States citizen, owned, managed, and worked in one or more call centers in Costa Rica engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States and was separately charged.

COUNT ONE
(CONSPIRACY TO COMMIT WIRE AND MAIL FRAUD - 18 U.S.C. SECTION 1349)

Overview of the Fraudulent Scheme

17. Operating in several Costa Rican call centers, defendants NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, Rosenberg, and other co-conspirators worked as both “openers,” *i.e.*, the telemarketers who initially called an individual, and “loaders,” *i.e.*, the telemarketers who re-solicited the same individual to send additional money.
18. As an opener, defendants NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, and Rosenberg would call an individual and falsely inform the individual that he/she had won a prize in a sweepstakes and that in order to receive the prize, he/she had to send money to Costa Rica for a purported “refundable insurance fee.”
19. As a loader, defendants NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, and Rosenberg would contact the individual again, after he/she had made an initial payment and would then falsely inform the individual that the prize amount he/she was previously told he had won had increased, either because of a clerical error or because another prize winner was disqualified and that, therefore, the individual must send additional money to pay for new purported fees, duties, and insurance to receive the now larger sweepstakes prize.
20. Defendants NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, Rosenberg and

their co-conspirators would continue to call and insist that additional payments be made for new fees until an individual either ran out of money or discovered the fraudulent nature of the scheme.

21. Defendant DODT installed and maintained the Voice Over Internet Protocol ("VOIP") phone lines used to call victims in one or more of the call centers owned by Rosenberg.
22. Defendants NASTASI, SIERP, and Rosenberg would cash the money orders and other financial instruments sent by the victims and distribute the money to themselves, FAIRCHILD, MOMMERS, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, DODT, and their co-conspirators.

The Conspiracy

23. Beginning in or about January of 2010, the exact date being unknown to the Grand Jury, and continuing until in or about May of 2014, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants,

**DINO NASTASI,
DAVID FAIRCHILD,
SABRINA MOMMERS,
KRISTIAN SIERP,
ROBERT JESUS VALDES FERNANDEZ,
STEPHEN FINCK,
THOMAS SNIFFEN,
BARRY HARMELIN,
CARLIN WOODS,
PATRICIO DEL-HOYO,
MICHAEL SAXON,
GAVIN JORDAN,
and
DONALD DODT,**

knowingly combined, conspired, confederated, and agreed with each other and others, both known and unknown to the Grand Jury, to commit the following offenses:

- (a) To knowingly and intentionally devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme and artifice and attempting to do so, placed and caused to be placed in a post office and authorized depository for mail matter, to be sent and delivered by the Postal Service and deposited and caused to be deposited matters and things to be delivered by private and commercial interstate carriers, specifically United States Postal Money Orders, contrary to Title 18, United States Code, Section 1341; and
- (b) To knowingly and intentionally devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and to transmit and cause to be transmitted, by means of wire, radio and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, specifically, Western Union wire-transfers which were all routed through and processed in Western Union facilities in Charlotte, Mecklenburg County, North Carolina, for the purpose of executing such scheme and artifice and attempting to do so, contrary to Title 18, United States Code, Section 1343.

Purpose of the Conspiracy

24. A purpose of the conspiracy was to enrich NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, DODT, Rosenberg, and their co-conspirators by fraudulently inducing victims

to pay thousands of dollars by falsely representing that the victims had won valuable prizes that would be sent to them only after they made payments to the co-conspirators.

Manner and Means Used in the Conspiracy

25. Among the manner and means by which NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, DODT, and their conspirators carried out the purpose of the conspiracy were the following:

- (a) Beginning in or about January 2010, NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, DODT, and Rosenberg along with their co-conspirators would and did operate telemarketing call centers in San Jose, Costa Rica;
- (b) Rosenberg and others, as the owners of the call centers, would and did frequently change the location of the call centers to avoid investigation by law enforcement authorities;
- (c) NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, Rosenberg and their co-conspirators would and did use aliases when contacting United States residents to solicit money from them;
- (d) NASTASI, FAIRCHILD, MOMMERS, SIERP, VALDES, FINCK, SNIFFEN, HARMELIN, WOODS, DEL-HOYO, SAXON, JORDAN, Rosenberg and their co-conspirators would and did make false representations to United States residents, including that they:

1. Would and did falsely inform United States residents, at least 10 of whom were over the age of 55, that they had won in excess of \$350,000 from a sweepstakes contest;
 2. Would and did falsely inform these individuals that they were required to send funds to Costa Rica to purchase insurance coverage for the delivery of their prizes;
 3. Would and did falsely state that any funds sent to Costa Rica would be fully refundable and returned to the individuals along with their prize winnings;
 4. Would and did falsely represent themselves as being agents of the "Federal Trade Commission," the "Department of Consumer Affairs" or another United States government agency, and that they were responsible for ensuring that sweepstakes winners received their money;
 5. Would and did falsely inform individuals that called to verify the legitimacy of the sweepstakes that the sweepstakes was legitimate and their prizes were verified; and
 6. After receiving money from the victims, would and did re-contact individuals, who had already sent payment, and falsely state that a mistake had occurred and the individuals actually won a greater prize of \$3,500,000 or more, requiring additional payments.
- (e) Would and did call individuals using VOIP telephone lines provided by DODT, utilizing numbers with area codes associated with Washington, D.C.,

to make it appear that the calls originated from within the United States rather than from Costa Rica;

- (f) Would and did provide individuals with telephone numbers for prize verification which were answered in the telemarketing call centers;
- (g) Would and did direct these individuals to send the required funds via Western Union or MoneyGram;
- (h) Would and did direct individuals to purchase blank Postal Money Orders and instructed them to send the Postal Money Orders to identified parties and addresses using FedEx and United Parcel Service;
- (i) Would and did cause the Postal Money Orders to be cashed and the proceeds distributed among the conspirators including DODT;
- (j) Would and did cause United States residents to continue to send funds to them until those United States residents either ran out of money or realized that they were being defrauded; and
- (k) Would and did keep the funds received to pay the continued costs of operating the telemarketing call center including payments to DODT for VOIP service, and for their personal benefit.

All in violation of Title 18, United States Code, Sections 1349 and 2326(2)(A) & (B).

**COUNTS TWO AND THREE
(MAIL FRAUD - 18 U.S.C. SECTION 1341)**

The Scheme and Artifice to Defraud

26. The allegations in paragraphs 1-22 and 24-25 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein, as describing the defendants scheme

and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises.

27. On or about the respective dates set forth below, each such date constituting a separate count of the Indictment, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants,

**DINO NASTASI,
DAVID FAIRCHILD,
SABRINA MOMMERS,
KRISTIAN SIERP,
ROBERT JESUS VALDES FERNANDEZ,
STEPHEN FINCK,
THOMAS SNIFFEN,
BARRY HARMELIN,
CARLIN WOODS,
PATRICIO DEL-HOYO,
MICHAEL SAXON,
GAVIN JORDAN,
and
DONALD DODT,**

acting in concert with others, having devised and intending to devise the scheme and artifice to defraud described above and in order to obtain money and property by means of material false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting to do so, placed and caused to be placed in a post office and authorized depository for mail matter, to be sent and delivered by the Postal Service and deposited and caused to be deposited matter and things to be delivered by private and commercial interstate carriers, specifically United States Postal Money Orders, contrary to Title 18, United States Code, Section 1341.

Count	Sender Initials	Mail Sent From	Received	Date	Amount
2	AK	Charlotte, NC	Doral, FL	12/31/2013	\$8,200.00
3	AK	Charlotte, NC	Doral, FL	01/08/2014	\$9,800.00

All in violation of Title 18, United States Code, Sections 1341, 2326(2)(A) & (B), and 2.

**COUNTS FOUR THROUGH NINETEEN
(WIRE FRAUD - 18 U.S.C. SECTION 1343)**

The Scheme and Artifice to Defraud

28. The allegations in paragraphs 1-22 and 24-25 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein as describing the defendants scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.
29. On or about the respective dates set forth below, each such date constituting a separate count of the Indictment, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants,

DINO NASTASI,
DAVID FAIRCHILD,
SABRINA MOMMERS,
KRISTIAN SIERP,
ROBERT JESUS VALDES FERNANDEZ,
STEPHEN FINCK,
THOMAS SNIFFEN,
BARRY HARMELIN,
CARLIN WOODS,
PATRICIO DEL-HOYO,
MICHAEL SAXON,
GAVIN JORDAN,
and
DONALD DODT,

acting in concert with others, having devised and intending to devise that scheme and

artifice to defraud described above and in order to obtain money and property by means of material false and fraudulent pretenses, representations, and promises, knowingly transmitted and caused to be transmitted, by means of wire communication in interstate and foreign commerce the following writings, signs, signals, pictures and sounds, specifically Western Union wire-transfers which were all electronically routed to and processed in Charlotte, Mecklenburg County, North Carolina, prior to being sent to their ultimate destination, for the purpose of executing the scheme and artifice and attempting to do so:

Count	Sender's Initials	Wire Transfer Sent From	Wire Transfer Received In	Date	Amount
4	LE	Newport, RI	Costa Rica	12/04/2010	\$1,900.00
5	PA	San Diego, CA	Costa Rica	04/02/2011	\$1,960.00
6	JH	Hartselle, AL	Costa Rica	05/13/2011	\$500.00
7	HM	Zachary, LA	Costa Rica	05/19/2011	\$2,075.00
8	MC	Escondido, CA	Costa Rica	12/23/2011	\$650.00
9	RH	Mesa, AZ	Costa Rica	02/29/2012	\$1,900.00
10	WN	La Plata, MD	Costa Rica	04/19/2012	\$925.00
11	EF	Lancaster, PA	Costa Rica	06/19/2013	\$992.00
12	JC	Sunnyvale, CA	Costa Rica	08/15/2013	\$1,990.00
13	JV	Houston, TX	Costa Rica	09/13/2013	\$1,150.00
14	MS	Cartersville, GA	Costa Rica	12/16/2013	\$576.00
15	JW	Muskegon, MI	Costa Rica	12/30/2013	\$600.00
16	JN	Pennsauken, NJ	Costa Rica	04/22/2014	\$1,000.00

All in violation of Title 18, United States Code, Sections 1343, 2326(2)(A) & (B), and 2.

**COUNT SEVENTEEN
(CONSPIRACY TO COMMIT MONEY LAUNDERING - 18 U.S.C. SECTION 1956(h))**

30. The allegations in paragraphs 1-22 and 24-25 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

31. In or about January of 2010 and continuing until in or about May of 2014, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants,

**DINO NASTASI,
DAVID FAIRCHILD,
SABRINA MOMMERS,
KRISTIAN SIERP,
ROBERT JESUS VALDES FERNANDEZ,
STEPHEN FINCK,
THOMAS SNIFFEN,
BARRY HARMELIN,
CARLIN WOODS,
PATRICIO DEL-HOYO,
MICHAEL SAXON,
GAVIN JORDAN,
and
DONALD DODT,**

did unlawfully and knowingly combine, conspire, confederate and agree with each other and others known and unknown to the Grand Jury, to transport, transmit, and transfer monetary instruments and funds from a place in the United States to and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, namely, wire fraud, in violation of Title 18 United States Code, Section 1956(a)(2)(A).

All in violation of Title 18, United States Code, Section 1956(h).

**COUNTS EIGHTEEN THROUGH THIRTY-ONE
(MONEY LAUNDERING – INTERNATIONAL - 18 U.S.C. SECTION 1956(a)(2)(A))**

32. The allegations in paragraphs 1-22, and 24-25 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

33. On the respective dates set forth below, each such date constituting a separate count of this Indictment, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants,

**DINO NASTASI,
DAVID FAIRCHILD,
SABRINA MOMMERS,
KRISTIAN SIERP,
ROBERT JESUS VALDES FERNANDEZ,
STEPHEN FINCK,
THOMAS SNIFFEN,
BARRY HARMELIN,
CARLIN WOODS,
PATRICIO DEL-HOYO,
MICHAEL SAXON,
GAVIN JORDAN,
and
DONALD DODT,**

together with others known and unknown to the Grand Jury, did knowingly transport, transmit and transfer and cause to be transported, transmitted and transferred, monetary instruments and funds from a place in the United States to and through a place outside of the United States, with the intent to promote the carrying on of specified unlawful activity, namely wire fraud:

Count	Sender's Initials	Wire Transfer Sent From	Wire Transfer Received In	Date	Amount
18	PR	Bethpage, NY	Costa Rica	09/22/2010	\$525.00
19	JY	Honolulu, HI	Costa Rica	11/12/2010	\$2,400.00

Count	Sender's Initials	Wire Transfer Sent From	Wire Transfer Received In	Date	Amount
20	GL	New York, NY	Costa Rica	09/03/2011	\$1,840.00
21	PA	Imperial Beach, CA	Costa Rica	10/05/2011	\$1,800.00
22	WE	Ocean City, NJ	Costa Rica	01/13/2012	\$1,000.00
23	AM	West Columbia, SC	Costa Rica	10/06/2012	\$900.00
24	JD	Beloit, WI	Costa Rica	04/01/2013	\$750.00
25	EF	Lancaster, PA	Costa Rica	06/20/2013	\$642.00
26	AS	Tempe, AZ	Costa Rica	07/13/2013	\$1,500.00
27	GB	Parchment, MI	Costa Rica	07/19/2013	\$1,125.00
28	WM	Zachary, LA	Costa Rica	08/05/2013	\$930.00
29	JV	Houston, TX	Costa Rica	09/12/2013	\$1,100.00
30	JF	Westminster, CO	Costa Rica	02/07/2014	\$1,250.00
31	JN	Cherry Hill, NJ	Costa Rica	05/21/2014	\$875.00

All in violation of Title 18, United States Code, Section 1956(a)(2)(A), and 2.

NOTICE OF FORFEITURE AND FINDING OF PROBABLE CAUSE


Notice is hereby given of 18 U.S.C. § 982 and 28 U.S.C. § 2461(c). Under Section 2461(c), criminal forfeiture is applicable to any offenses for which forfeiture is authorized by any other statute, including but not limited to all specified unlawful activities listed or referenced to in 18 U.S.C. §1956(c)(7), which are incorporated as to proceeds by Section 981(a)(1)(C). The following property is subject to forfeiture in accordance with Section 982 and/or 2461(c):

- (a) All property which constitutes or is derived from gross proceeds of the violations set forth in this bill of indictment;
- (b) All property used or intended to be used to commit, to facilitate, or to promote the violations;
- (c) All property involved in such violations or traceable to property involved in such violations; and
- (d) If, as set forth in 21 U.S.C. § 853(p), any property described in (a), (b), or (c) cannot be located upon the exercise of due diligence, has been transferred or sold to, or deposited with, a third party, has been placed beyond the jurisdiction of the court, has been substantially diminished in value, or has been commingled with other property which cannot be divided without difficulty, all other property of the defendant/s to the extent of the value of the property described in (a), (b), and (c).

The Grand Jury finds probable cause to believe that the following property is subject to forfeiture on one or more of the grounds stated above: a forfeiture money judgment in the

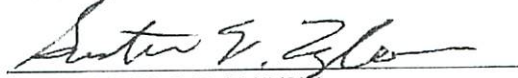
amount of at least \$10,000,000.00, such amount constituting the gross proceeds of the violations set forth in this bill of indictment.

A TRUE BILL

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JILL WESTMORELAND ROSE
ACTING UNITED STATES ATTORNEY

ANDREW WEISSMANN
CHIEF, FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE

A handwritten signature in dark ink, appearing to read "Patrick M. Donley", is written over a horizontal line.

PATRICK M. DONLEY
SENIOR LITIGATION COUNSEL
WILLIAM H. BOWNE
GUSTAV W. EYLER
TRIAL ATTORNEYS
FRAUD SECTION, CRIMINAL DIVISION