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CLERK US DISTRICT COURT
DISTRICT OF ARIZONA

7 IN THE UNITED STATES DISTRICT COURT

8 FOR THE DISTRICT OF ARIZONA

9 **CR18-2216TUC** RCC-LCK

10 United States of America,
11 Plaintiff,

12 vs.

13 Joseph A. Batts,
14 Defendant.

INDICTMENT

VIOLATIONS:

18 U.S.C. §1349
(Conspiracy to Commit Mail and Wire
Fraud)
(Count 1)

18 U.S.C. §1343
(Wire Fraud)
(Counts 2-7)

18 U.S.C. §1341
(Mail Fraud)
(Counts 8-9)

20 **THE GRAND JURY CHARGES:**

21 **Count 1**

22 **Conspiracy to Commit Mail Fraud and Wire Fraud**
23 **[18 U.S.C. §1349]**

24 1. From a time unknown and continuing through on or about October 4, 2018, in
25 the District of Arizona, and elsewhere, the defendant, JOSEPH BATTS (hereinafter
26 "BATTS"), and others known and unknown to the grand jury, knowingly and voluntarily
27 did unlawfully combine, conspire, confederate and agree together and with each other to
28 knowingly execute and attempt to execute a scheme or artifice to defraud and a scheme

1 or plan to obtain money or property by means of material false or fraudulent
2 representations, promises and the intentional concealment of material facts, in violation
3 of Title 18, United States Code, Section 1341 (Mail Fraud) and Title 18, United States
4 Code, Section 1343 (Wire Fraud).

5 Manner/Means of the Conspiracy/Scheme to Defraud

6 2. The primary purpose of the conspiracy and scheme to defraud was for the
7 defendant and other co-conspirators in the conspiracy to fraudulently obtain money from
8 various victims through a fraudulent sweepstakes or lottery scheme. The co-conspirators
9 would e-mail through interstate commerce fraudulent letters and other communications
10 purporting to be from the Internal Revenue Service and "Publishers Clearing House."
11 These communications falsely represented the victims had won a prize, for example
12 \$5,000,000.00. These communications also fraudulently represented that in order to
13 obtain these winnings, the victims were required to make arrangements to pay taxes or
14 other fees. These representations were false and fraudulent. In reality, the co-
15 conspirators merely made these false and fraudulent representations with the intent to
16 defraud solely to obtain the victims' money and without any intent to provide any prize
17 winnings.

18 3. As an example of how the conspiracy and scheme to defraud operated, Victim
19 L.G. at the time was 87 years old when Victim L.G. received the fraudulent
20 communications from the co-conspirators. Victim L.G. communicated with one or more
21 of the co-conspirators by phone and made arrangements to provide the "fees" believing
22 that Victim L.G. had won and would receive the prize winnings in return. Victim L.G.
23 was instructed to deposit money in various bank accounts, and mail and/or wire money to
24 various locations. In total, Victim L.G. provided approximately \$74,000 to the co-
25 conspirators. Victim L.G. received a check from the co-conspirators believing it was a
26 portion of the prize winnings. When Victim L.G. deposited the check, the check was
27 fraudulent and did not clear Victim L.G.'s account. Victim L.G. never received any
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1 legitimate money or prize winnings from the co-conspirators. As a result, she lost
 2 approximately \$74,000 from this scheme to defraud.

3 4. As an essential part of the conspiracy, as indicated above, the co-conspirators
 4 caused to be issued mailings and interstate wire communications in furtherance of the
 5 conspiracy all in violation of Title 18, United States Code, Section 1349.

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 7 **COUNTS 2 – 7**
 8 **Wire Fraud**
 9 **[18 U.S.C. § 1343]**

10 5. The factual allegations in paragraphs 2 – 3 are re-alleged and incorporated by
 11 reference as if fully stated herein.

12 6. On or about the dates listed below, at or near Benson, Arizona, in the District
 13 of Arizona and elsewhere, the defendant, BATTIS, with the intent to defraud, knowingly
 14 and willfully participated in, devised and intended to devise, a scheme and artifice to
 15 defraud and a scheme to obtain L.G.'s money or property by materially false and
 16 fraudulent pretenses, representations, promises and the intentional concealment of
 17 material facts.

18 **Execution of the Scheme by Wire Communication**

19 7. On or about the dates listed below, within the District of Arizona, and
 20 elsewhere, defendant, BATTIS, for the purpose of and as an essential part of
 21 executing the scheme to defraud, transmitted and knowingly caused to be
 22 transmitted by means of wire and electronic communication signals in interstate
 23 commerce, for the purpose of executing said scheme and artifice to defraud as set
 24 forth in each count below relating to each transaction:

COUNT	DATE	TRANSACTION
2	09/13/17	Fraudulent e-mail communications purporting to be from <u>DepartmentofTreasuryIRS@gmail.com</u>
3	09/24/17	Western Union electronic money transfer in the amount of \$790 to N.S.

4	09/28/17	Western Union electronic money transfer in the amount of \$800 to S.R.
5	10/02/17	Western Union electronic money transfer in the amount of \$1000 to S.R.
6	10/26/17	Western Union electronic money transfer in the amount of \$500 to D.F.
7	10/27/17	Western Union electronic money transfer in the amount of \$500 to S.R.

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

COUNTS 8 – 9

Mail Fraud

[Title 18 U.S.C. § 1341]

8. The factual allegations in 2-3 of this indictment are re-alleged and incorporated by reference as if fully set forth herein.

9. On or about the dates set forth below, at or near Benson, Arizona in the District of Arizona and elsewhere, the defendant, BATTIS, knowingly, willfully and with the intent to defraud, participated in, devised and intended to devise a scheme and artifice to defraud, and a scheme to obtain money or property of L.G. by means of material false and materially fraudulent pretenses, statements, representations, and promises and by intentional concealment and omission of material facts.

Use of the Mails

10. On or about the dates listed below, within the District of Arizona, and elsewhere, the defendant, for the purpose of executing the aforesaid scheme and artifice to defraud, and attempting to do so, did knowingly cause to be delivered by mail certain mail matter, that is, mailings of fraudulently obtained proceeds by a private or commercial interstate carrier, according to the directions thereon as described in each count below:

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COUNT	DATE	DESCRIPTION OF MAILING
8	09/14/17	Mailing of approximately \$40,000 through FedEx to Orlando, Florida
9	09/18/17	Mailing of approximately \$20,000 through FedEx to Orlando, Florida

All in violation of Title 18, United States Code, Section 1341.

A TRUE BILL

/s/

Presiding Juror

**REDACTED FOR
PUBLIC DISCLOSURE**

ELIZABETH A. STRANGE
First Assistant United States Attorney
District of Arizona

/s/

Assistant U.S. Attorney

OCT 31 2018