

AUG - 5 2014

U.S. DISTRICT COURT
W. DIST. OF N.C.

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

UNITED STATES of AMERICA,

v.

MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,
Defendants.

DOCKET NO. *3:14cr143*

BILL OF INDICTMENT

Vio: 18 U.S.C. § 1349
18 U.S.C. § 2326
18 U.S.C. § 1343
18 U.S.C. § 1956(h)
18 U.S.C. § 1956(a)(2)(A)
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," "duties," 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 MAURICE NORMAN LEVY (MAURICE LEVY), a citizen of Jamaica, owned and managed one or more of the telemarketing call centers in Costa Rica, engaged in a sweepstakes scheme directed, at least in part, at individuals residing in the United States.

4. Defendant, **DERRICK ANTHONY LEVY** (DERRICK LEVY), a citizen of Jamaica, owned telemarketing call centers in Costa Rica with MAURICE LEVY.
5. Defendant **MATTHEW CORRALES**, a United States citizen, worked with MAURICE and DERRICK LEVY in telemarketing call centers in Costa Rica.

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

Overview of the Fraudulent Scheme

6. Operating in several Costa Rican call centers, Defendants MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and other telemarketers worked as both an “opener,” *i.e.*, the telemarketer who initially calls an individual, and a “loader,” *i.e.*, the telemarketers who re-solicit the same individual to send additional money.
7. As an opener, MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and other telemarketers would call an individual and falsely inform the individual that he had won a prize in a sweepstakes and that in order to receive the prize, he had to send money to Costa Rica for a purported “refundable insurance fee.”
8. As a loader, MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and other telemarketers would contact the individual again, after he had made an initial payment. MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and other telemarketers would then falsely inform the individual that the prize amount he 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 sweepstake prize.

9. MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and other telemarketers 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.

The Conspiracy

10. Beginning in or about 2008, the exact date being unknown to the Grand Jury, and continuing until in or about May 2014, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants

**MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,**

acting in concert together and with other conspirators, both known and unknown to the Grand Jury, knowingly combined, conspired, confederated and agreed together, and with each other, to commit the following offense:

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 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 - Scheme to Defraud

11. A purpose of the conspiracy was to enrich MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators by fraudulently inducing the victims to pay thousands of dollars by falsely representing that the victims had won valuable prizes, which would be sent to them only after they made payments to MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators.

Manner and Means Used in the Conspiracy

12. Among the manner and means by which

**MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,**

and their conspirators carried out the purpose of the conspiracy were the following:

- (a) Beginning in or about 2008, MAURICE LEVY and DERRICK LEVY along with their co-conspirators operated telemarketing "call centers" in San Jose, Costa Rica.
- (b) MAURICE LEVY and DERRICK LEVY, as the owners of the call center, would and did frequently change the location of the call centers to avoid investigation by law enforcement authorities;
- (c) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did use aliases when contacting United States residents to solicit money from them;

(d) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did make false representations to United States residents, including:

1. Informing 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. Informing these individuals that they were required to send funds to Costa Rica to purchase insurance coverage for the delivery of their prizes;
3. Stating that any funds sent to Costa Rica would be fully refundable and returned to the individuals along with their prize winnings;
4. Representing themselves as being agents of the "Federal Trade Commission," or another United States government agency and that they were responsible for ensuring that sweepstakes winners received their money;
5. Informing individuals that called to verify the legitimacy of the sweepstakes that the sweepstakes was legitimate and their prizes were verified; and
6. After receiving funds, re-contacting individuals who had already sent payment and falsely state that a mistake had occurred and the individuals actually won the first prize of \$3,500,000 or more, requiring additional payments.

(e) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did call individuals using Voice over Internet

Protocol (VoIP), 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) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did provide individuals with telephone numbers for prize verification which were answered in the telemarketing call centers;
- (g) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did tell these individuals to send the required funds via Western Union or MoneyGram;
- (h) MAURICE LEVY, DERRICK LEVY, MATTHEW CORRALES and their co-conspirators would and did cause United States residents to continue to send funds to them until these United States residents either ran out of money or realized that they were being defrauded; and
- (i) MAURICE LEVY and DERRICK LEVY and their co-conspirators would and did keep the funds received to pay the continued costs of operating the telemarketing call center and for their personal benefit.

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

**COUNTS TWO THROUGH TEN
(WIRE FRAUD - 18 U.S.C. § 1343)**

The Scheme and Artifice to Defraud

13. The allegations in paragraphs 1-9 and 12 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.

14. 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,

**MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,**

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 schemes, 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:

Count	Sender's Initials	Wire Transfer Sent From	Wire Transfer Received In	Date	Amount
2	MU	Richland, WA	Costa Rica	09/15/2009	\$2,750.00
3	WL	Hampstead, MD	Costa Rica	10/20/2009	\$2,990.00
4	AS	Wilmington, CA	Costa Rica	01/07/2011	\$ 500.00
5	RP	Roscoe, IL	Costa Rica	06/13/2011	\$2,200.00
6	BW	Alma, MI	Costa Rica	06/29/2012	\$ 986.00
7	EF	Colorado Springs, CO	Costa Rica	07/31/2012	\$ 850.00
8	CB	Gulfport, MS	Costa Rica	09/21/2012	\$ 500.00
9	FB	Gulfport, MS	Costa Rica	11/05/2012	\$ 750.00
10	CH	Worcester, MA	Costa Rica	11/23/2012	\$ 650.00

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

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

15. The allegations in paragraphs 1-9 and #12 of Count One of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

16. In or about 2008 and continuing until in or about May 2014, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants

**MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,**

acting in concert together and with other co-conspirators, both known and unknown to the Grand Jury, did unlawfully and knowingly combine, conspire, confederate and agree together and with each other, 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 TWELVE THROUGH NINETEEN
(MONEY LAUNDERING – INTERNATIONAL - 18 U.S.C. § 1956(a)(2)(A))**

19. The allegations in paragraphs 1-9 and #12 of Count One of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

20. 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,

**MAURICE NORMAN LEVY,
DERRICK ANTHONY LEVY,
and
MATTHEW CORRALES,**

together with others known and unknown to the Grand Jury, did knowingly transport, transmit and transfer 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
12	MU	Pasco, WA	Costa Rica	09/17/2009	\$2,900.00
13	BC	Apex, NC	Costa Rica	01/05/2011	\$ 767.00
14	RP	Roscoe, IL	Costa Rica	06/09/2011	\$2,000.00
15	EF	Colorado Springs, CO	Costa Rica	07/30/2012	\$ 904.00
16	CB	Gulfport, MS	Costa Rica	09/27/2012	\$ 900.00
17	FB	Gulfport, MS	Costa Rica	10/18/2012	\$1,250.00
18	FB	Gulfport, MS	Costa Rica	10/23/2012	\$1,450.00
19	CB	Gulfport, MS	Costa Rica	12/04/2012	\$ 600.00

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).

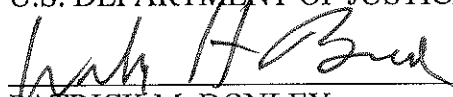
The Grand Jury finds probable cause to believe that the following property is subject to forfeiture on one or more of the grounds stated above: a forfeiture money judgment in the amount of at least \$9,710,947.00, such amount constituting the gross proceeds of the violations set forth in this bill of indictment.

A TRUE BILL

GRAND JURY FOREPERSON *U*

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