FILED
ASHEVILLE, N.C.
DEC 5 2006
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.

(1) GIUSEPPE PILEGGI,
(2) HERMAN KANKRINI,
(3) MICHAEL ATTILIO MANGARELLA,
(4) DAVID MICHAEL HENNESSEY,
(5) ROBERT KUSTRA,
(6) MARTIN KALCHSTEIN,
(7) LARRY EDWARD CUNNINGHAM
a/k/a Russ Elkins,
(8) BRIAN WALL COYLE
a/k/a Steven Blain
a/k/a Boracho,
(9) JESSE DAVID REID,
(10) VICTOR RONALD KUSTRA,
(11) MICHAEL FORCHEMER,
(12) ANDREAS ROMAN LEIMER,
(13) TRENT BRADFORD NYFFELER,
a/k/a Tula,
and
(14) RAY ANTHONY BINGHAM WANCHOPE
a/k/a Ray Bingham,

DOCKET NO. 3:06cr151

SUPERSEDING
BILL OF INDICTMENT

Vio: 18 U.S.C. § 371
18 U.S.C. § 2326
18 U.S.C. § 1001
18 U.S.C. § 1343
18 U.S.C. § 982(a)(1) &(a)(8)
18 U.S.C. § 2

THE GRAND JURY CHARGES:

At all times material to this Indictment:

COUNT ONE (CONSPIRACY)

Background

1. Since in or about April 2003, the defendants and their co-conspirators operated "call centers" in San Jose, Costa Rica and defrauded United States residents

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by deceiving them into believing that they had won a large monetary prize in a sweepstakes contest.

2. As used in this indictment, a "call center" is a business that engages in an illegal telemarketing scheme. These call centers are also commonly referred to as boiler rooms. The telemarketers in the call centers all used identical or similar "pitch sheets" developed and provided to them by the owners of the call centers. A "pitch sheet" is a script designed to be read over the telephone to a prospective victim.

3. In many instances victims were contacted by both an "opener" and a "loader." An "opener" is the telemarketer who has the initial contact with the prospective victim. A "loader" is the telemarketer who takes over the contact with the victim after the victim has made an initial payment as a result of the misrepresentations made by the "opener." A "loader" induces the victim to send additional moneys to allegedly pay for various fees, duties and insurance to retrieve the sweepstakes prize.

4. The name, address, and telephone number of the victim is known as a "lead." The name, address, and telephone numbers of the victims were purchased by the owners of the call centers from "lead" or "list" brokers.

5. The defendants and other telemarketers in the call centers frequently used aliases, concealed and frequently changed the location of the call centers, and did business from Costa Rica for the purpose of, among other things, avoiding investigation by victims and law enforcement authorities.

The Defendants

6. Defendant **GIUSEPPE PILEGGI**, a citizen of Canada, owned and managed one or more of the call centers in Costa Rica.

7. Defendant **HERMAN KANKRINI**, a citizen of Canada, owned and managed one or more of the call centers in Costa Rica.

8. Defendant **MICHAEL ATTILIO MANGARELLA**, a United States citizen, owned and managed one or more of the call centers in Costa Rica.

9. Defendant **DAVID MICHAEL HENNESSEY**, a United States citizen, owned and managed one or more of the call centers in Costa Rica.

10. Defendant **ROBERT KUSTRA**, a citizen of Canada, managed one or more of the call centers in Costa Rica.

11. Defendant **MARTIN KALCHSTEIN**, a citizen of United States, managed one or more of the call centers.

12. Defendant **LARRY EDWARD CUNNINGHAM,** a/k/a Russ Elkins, a United States citizen, managed one or more of the call centers in Costa Rica.

13. Defendant **BRIAN WALL COYLE**, a/k/a Steven Blain, and a/k/a Boracho, a United States citizen, worked as an "opener" at several of the call centers in Costa Rica.

14. Defendant **JESSE DAVID REID**, a United States citizen, was a "loader" at one or more of the call centers in Costa Rica.

15. Defendant **VICTOR RONALD KUSTRA**, a citizen of Canada, worked as an "opener" at several of the call centers.

16. Defendant **MICHAEL FORCHEMER**, a United States citizen, worked as an "opener" at one or more of the call centers in Costa Rica.

17. Defendant **ANDREAS ROMAN LEIMER**, a United States citizen, leased, installed, and maintained Voice over Internet Protocol telephones for the call centers in Costa Rica knowing that the telephones were going to be used to commit fraud.

18. Defendant **TRENT BRADFORD NYFFELER**, a/k/a Tula, a United States citizen, is a lead broker. He sold lists of victims' contact information to the owners of the call centers knowing that the information was going to be used to commit fraud.

19. Defendant **RAY ANTHONY BINGHAM WANCHOPE**, a/k/a Ray Bingham, a Costa Rican citizen, was an "opener" and a manager of one or more of the call centers in Costa Rica.

THE CONSPIRACY

20. Beginning in or about early 2003, the exact date being unknown, and continuing until on or about May 16, 2006, in Mecklenburg County, within the Western District of North Carolina, and elsewhere,

GIUSEPPE PILEGGI,
HERMAN KANKRINI,
MICHAEL ATTILIO MANGARELLA,
DAVID MICHAEL HENNESSEY,
ROBERT KUSTRA,
MARTIN KALCHSTEIN,
LARRY EDWARD CUNNINGHAM
a/k/a Russ Elkins,
BRIAN WALL COYLE
a/k/a Steven Blain
a/k/a Boracho,
JESSE DAVID REID,
VICTOR RONALD KUSTRA,
MICHAEL FORCHEMER,
ANDREAS ROMAN LEIMER,
TRENT BRADFORD NYFFELER
a/k/a Tula,
and

together with co-conspirators known and unknown to the Grand Jury, knowingly combined, conspired, confederated and agreed together and with each other to commit the following offenses:

A. To knowingly and willfully 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; and

B. To knowingly and willfully devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting to do so, place 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 matters and things to be delivered by private and commercial interstate

carriers, specifically lists of victims' contact information, contrary to Title 18, United States Code, Section 1341; and

C. To knowingly transport, transmit, and transfer, via Western Union money wire transfers, in interstate and foreign commerce, goods, wares, merchandise, securities and money, of the value of $5,000 and more, knowing the same to have been stolen, converted, and taken by fraud, contrary to Title 18, United States Code, Section 2314; and

D. To knowingly use, affix and impress a fraudulently made, forged, counterfeited, mutilated, and altered seal of the United States Department of Commerce Bureau of Industry and Security upon letters faxed to victims regarding their non existent sweepstakes winnings, contrary to Title 18, United States Code, Section 506(a)(2).

Purpose of the Conspiracy - Scheme to Defraud

21. A purpose of the conspiracy was for the defendants and their co-conspirators to unjustly enrich themselves by fraudulently inducing the victims to pay money by creating a false impression that the victims had won a valuable prize.

Manner and Means Used in the Conspiracy

22. Among the manner and means by which the defendants and their co-conspirators carried out the conspiracy were the following:

A. The defendants and their co-conspirators would target thousands of residents of the United States, typically, although not exclusively, over the age of 55, and would inform them that they had won second prize in a sweepstakes. The defendants and their co-conspirators would tell their

victims that in order to receive the prize, the victims had to send from one thousand to several thousand dollars for a purported "refundable insurance fee," via Western Union money wire-transfers, to an alleged "insurance entity" in Costa Rica. The defendants and their co-conspirators would keep the supposed "refundable insurance fees" for their own personal benefit.

B. In order to induce their victims to wire money to Costa Rica, the defendants and their co-conspirators would often falsely represent themselves as being agents of the "United States Sweepstakes Security Commission," or the 'United States Sweepstakes Security Bureau," or a variant thereof. The defendants and their co-conspirators would falsely represent to the victims that this agency was a branch of the Department of Commerce charged with ensuring that sweepstakes winners received their money. Frequently, the defendants and their co-conspirators would inform their victims that it was the job of the "Sweepstakes Security Commission" to see that the victims received their prize money.

C. The defendants and their co-conspirators would call their victims from Costa Rica, using Voice over Internet Protocol (VoIP), which utilized computers to make telephone calls over the Internet. This practice permitted the defendants and their co-conspirators to use recognizable United States area codes, such as the Washington, D.C. area code, to make it appear on the victims' caller identification devices that the calls

were made from somewhere within the United States when, in fact, the defendants and their co-conspirators were calling from Costa Rica.

D. If an intended victim asked to speak to the sweepstakes company that purportedly had awarded the prize, the defendants and their co-conspirators would give the intended victim telephone numbers with United States area codes, but which actually were accessed in Costa Rica at the same call center. The defendants and their co-conspirators in Costa Rica would answer these telephone calls and would falsely reassure the victim that he or she had won a sweepstakes prize.

E. If an intended victim wanted written proof of the existence of the bogus "United States Sweepstakes Security Commission," or the bogus "United States Sweepstakes Security Bureau," the defendants and their co-conspirators, would fax the intended victim a document bearing a forged seal of the Bureau of Industry and Security of the Department of Commerce and containing a false history of the "Sweepstakes Security Commission."

F. After a victim had been induced into sending money, the defendants and their co-conspirators would call that victim and would tell the victim that 1) a mistake had been made; 2) the victim had actually won first prize; and 3) the victim had to wire thousands of additional dollars in additional fees to ensure the safe delivery of the winning proceeds. The defendants and their co-conspirators would continue to call each victim with additional fraudulent reasons as to why the victim had to wire more

money. This practice would continue so long as the victim continued to wire money.

G. If a victim did not make the wire transfer to Costa Rica as instructed, the defendants and their co-conspirators would, at times, threaten prosecution of the victim for insurance fraud or defrauding a federal agent.

H. The defendants and their co-conspirators would unjustly enrich themselves by retaining the proceeds of this fraud, which exceeded ten million dollars.

Overt Acts

23. In furtherance of the conspiracy and to effect the objects thereof, the defendants and their co-conspirators committed the following overt acts, among others, in Mecklenburg County, within the Western District of North Carolina, and elsewhere,

A. The defendants and their co-conspirators caused the following telephone calls to be made to the following victims on or about the following dates:

Overt Act #	Initials of Victim	Date
a	JK	9/2/2005
b	KT	9/9/2005
c	RW	9/9/2005
d	RW	9/11/2005
e	KT	9/12/2005
f	CB	9/22/2005

Overt Act #	Initials of Victim	Date
g	CB	9/26/2005
h	MG	9/29/2005
i	RF	9/29/2005
j	RF	9/30/2005
k	MG	9/30/2005
l	MB	10/3/2005
m	MB	10/4/2005
n	MRS	10/4/2005
o	MRS	10/5/2005
p	WS	10/6/2005
q	WS	10/7/2005
r	JB	11/30/2005
s	GG	12/2/2005
t	TSF	12/2/2005
u	TSF	12/5/2005
v	WP	12/7/2005

B. The defendants and their co-conspirators caused to be made and received the following telephone calls from the following victims on or about the following dates:

Overt Act #	Initials of Victim	Date
a	DA	08/20/2005
b	DA	08/25/2005
c	TH	11/12/2004
d	VD	12/10/2004

C. The defendants and their co-conspirators caused to be made and received the following Western Union wire transfers from the following victims on or about the following dates:

Overt Act #	Victim Initials	Location Wire Received	Date of Wire	Approximate Amount of Wire
a	TS	Costa Rica	8/30/2005	$1,098
b	DG	Costa Rica	9/12/2005	$1,200
c	FF	Costa Rica	9/20/2005	$4,500
d	DA	Costa Rica	9/26/2005	$4,439
e	RK	Costa Rica	9/26/2005	$1,068
f	HB	Costa Rica	9/28/2005	$1,308
g	DP	Costa Rica	9/30/2005	$1,120
h	RT	Costa Rica	10/19/2005	$1,433
i	MS	Costa Rica	10/27/2005	$1,068
j	CE	Costa Rica	10/28/2005	$1,078
k	NR	Costa Rica	10/31/2005	$993
l	BH	Costa Rica	11/1/2005	$1,208
m	RB	Costa Rica	11/3/2005	$1,208
n	LLH	Costa Rica	11/9/2005	$1,068
o	CS	Costa Rica	11/10/2005	$1,208
p	HH	Costa Rica	11/11/2005	$3,035
q	TJ	Costa Rica	11/29/2005	$2,119
r	TJ	Costa Rica	11/29/2005	$1,138
s	JO	Costa Rica	11/30/2005	$1,208
t	AR	Costa Rica	12/02/2005	$1,670
u	ED	Costa Rica	12/12/2005	$2,375

Overt Act #	Victim Initials	Location Wire Received	Date of Wire	Approximate Amount of Wire
v	DR	Costa Rica	12/16/2005	$1,010

D. On or about January 27, 2006, defendant **DAVID MICHAEL HENNESSEY,** while traveling from Costa Rica, concealed in his luggage at the Los Angeles International Airport, Los Angeles, California more than $16,000 in cash representing proceeds from the fraud.

E. In or about September 2005, defendant **ROBERT KUSTRA** distributed pitch sheets instructing the telemarketers working for him to threaten potential victims with prosecution for insurance fraud or defrauding a federal agent if the victims did not send their money as instructed.

F. In or about September 2005, defendant **ROBERT KUSTRA** distributed pitch sheets instructing the telemarketers working for him not to threaten potential victim with prosecution if the telemarketer had the slightest suspicion that the conversation was being recorded.

G. In or about March 2005, defendant **ANDREAS ROMAN LEIMER** installed VoIP telephone lines for a call center in Costa Rica.

H. In or about June 2005, defendant **ANDREAS ROMAN LEIMER** collected his payment for VoIP telephone lines for the call center being operated by defendant **DAVID MICHAEL HENNESSEY** in Costa Rica.

I. In or about December 2005, after becoming aware of this Grand Jury investigation, defendant **ANDREAS ROMAN LEIMER** told defendant **GIUSEPPE PILEGGI** to leave Costa Rica in order to avoid law enforcement detection.

J. In or about March 2005,defendant **TRENT BRADFORD NYFFELER,** a/k/a Tula, sold lists of "leads" to a call center in Costa Rica.

K. In or about March 2005, defendant **TRENT BRADFORD NYFFELER,** a/k/a Tula, shipped the list of "leads" by private and commercial interstate carrier from Texas to a call center in Costa Rica.

L. In or about June 2005, defendant **TRENT BRADFORD NYFFELER,** a/k/a Tula, sold lists of "leads" to the call center being operated by defendant **DAVID MICHAEL HENNESSEY** in Costa Rica.

M. In or about June 2005, defendant **TRENT BRADFORD NYFFELER,** a/k/a Tula, shipped the list of "leads" by private and commercial interstate carrier from Texas to the call center being operated by defendant **DAVID MICHAEL HENNESSEY** in Costa Rica.

N. Counts 2 through 23 below are hereby realleged and incorporated by reference as if fully set forth herein as additional overt acts.

All in violation of Title 18, United States Code, Sections 371 and 2326(2)(A) & (B).

COUNTS 2 THROUGH 23 (WIRE FRAUD)

1. The allegations in paragraphs 1 through 5 of Count 1 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

The Scheme

2. The allegations in paragraphs 6 through 19 and paragraphs 21 and 22 of Count 1 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.

Wire and Radio Communications

3. On or about the dates set forth below, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, defendants

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LARRY EDWARD CUNNINGHAM
a/k/a Russ Elkins,
BRIAN WALL COYLE
a/k/a Steven Blain
a/k/a Boracho,
JESSE DAVID REID,
VICTOR RONALD KUSTRA,
MICHAEL FORCHEMER,
ANDREAS ROMAN LEIMER,
TRENT BRADFORD NYFFELER
a/k/a Tula,
and
RAY ANTHONY BINGHAM WANCHOPE,
a/k/a Ray Bingham

transmitted and caused to be transmitted, by means of wire and radio communication in interstate and foreign commerce the following signals 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 the scheme and artifice and attempting to do so:

Count #	Victim Initials and Source of Wire	Location Wire Received	Date of Wire	Approximate Amount of Wire
2	W&ND Gackle, N.D	San Jose, Costa Rica	7/15/2005	$1,210
3	W&ND Gackle, N.D	San Jose, Costa Rica	7/18/2005	$2,114
4	W&ND Gackle, N.D	San Jose, Costa Rica	8/23/2005	$2,999
5	D.K Strasburg, N.D.	San Jose, Costa Rica	8/29/2005	$2,905
6	D.K. Strasburg, N.D.	San Jose, Costa Rica	9/20/2005	$2,114
7	D.K. Strasburg, N.D.	San Jose, Costa Rica	9/20/2005	$1,516
8	JH Detroit Lakes, MN	San Jose, Costa Rica	10/11/2005	$1789
9	AF Ketchum, ID	San Jose, Costa Rica	10/26/2005	$1,208
10	RL Pacifica, CA	San Jose, Costa Rica	11/16/2005	$1,068
11	MM W. Palm Beach, FL	San Jose, Costa Rica	11/22/2005	$1,208
12	PJ Arlington, WA	San Jose, Costa Rica	11/22/2005	$1,000
13	JD Martinsville, OH	San Jose, Costa Rica	12/6/2005	$1,069
14	MB Terre Haute, IN	San Jose, Costa Rica	12/7/2005	$1,208
15	CW Huntersville, NC	San Jose, Costa Rica	12/8/2005	$1,208

Count #	Victim Initials and Source of Wire	Location Wire Received	Date of Wire	Approximate Amount of Wire
16	ED Naples, FL	San Jose, Costa Rica	12/12/2005	$2,375
17	LS Sun City, AZ	San Jose, Costa Rica	12/13/2005	$1000
18	MO Zooland, MI	San Jose, Costa Rica	12/13/2005	$1,125
19	LH McDonald, TN	San Jose, Costa Rica	12/13/2005	$1,233
20	CF Salt Lake City, UT	San Jose, Costa Rica	12/15/2005	$1,068
21	DS San Antonio, TX	San Jose, Costa Rica	12/15/2005	$1,068
22	DC Fort Wayne, IN	San Jose, Costa Rica	12/16/2005	$1,068
23	RG San Angelo, TX	San Jose, Costa Rica	12/16/2005	$1,208

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

COUNT 24 (FALSE STATEMENT)

1. The allegations in paragraphs 1 through 18 and paragraphs 20 and 21 of Count 1 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

2. On or about November 5, 2005, in Mecklenburg County, within the Western District of North Carolina, in a matter within the jurisdiction of Department of Commerce, a department of the United States, the defendant **ANDREAS ROMAN LEIMER**, did knowingly and willfully make a materially false, fraudulent, and fictitious

statement and representation, that is, he told a Special Agent employed by the Department of Commerce, Office of Inspector General, that he charged his customers in Costa Rica $100 per month for each VoIP telephone he leased, when he fact he charged his customers in Costa Rica approximately $400 per month for each VoIP telephone he leased.

All in violation of Title 18, United States Code, Sections 1001 and 2.

NOTICE OF FORFEITURE
18 U.S.C. § 982(a)(8)

1. The allegations in paragraphs 1 through 18 and paragraphs 20 and 21 of Count 1 of this Indictment are hereby realleged and incorporated by reference as if fully set forth herein.

2. Upon conviction of the offenses in violation of Title 18, United States Code, Sections 371 and 1343 set forth in Counts 1 through 23 of this Indictment, which involved telemarketing as that term is used in Title 18, United States Code, Section 2325, the defendants,

GIUSEPPE PILEGGI,
HERMAN KANKRINI,
MICHAEL ATTILIO MANGARELLA,
DAVID MICHAEL HENNESSEY,
ROBERT KUSTRA,
MARTIN KALCHSTEIN,
LARRY EDWARD CUNNINGHAM
a/k/a Russ Elkins,
BRIAN WALL COYLE
a/k/a Steven Blain
a/k/a Boracho,
JESSE DAVID REID,
VICTOR RONALD KUSTRA,
MICHAEL FORCHEMER,

ANDREAS ROMAN LEIMER,
TRENT BRADFORD NYFFELER
a/k/a Tula,
and
RAY ANTHONY BINGHAM WANCHOPE
a/k/a Ray Bingham

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(8),

(A) any real or personal property used or intended to be used to commit, to facilitate, or to promote the commission of such offenses;

(B) any real or personal property, constituting, derived from, or traceable to the gross proceeds obtained directly or indirectly as a result of the offenses; and

(C) a sum of money representing the amount of proceeds obtained as a result of the offense for which defendants are convicted up to a value of $10,000,000.

3. If any of the property described above, as a result of any act or omission of the defendants:

(A) cannot be located upon 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 pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982 (b)(1).

GRAND JURY FOREPERSON

GRETCHEN C. F. SHAPPERT
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