

FILED
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U.S. DISTRICT COURT E.D.N.Y.

★ OCT 03 2017 ★

LONG ISLAND OFFICE

ALB:TAD
F. #2017R01569

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- X

UNITED STATES OF AMERICA

- against -

WILLIAM PATRICK NANRY,

Defendant.

----- X

THE GRAND JURY CHARGES:

INDICTMENT

Cr. No. **CR-17 0538**

(T. 18, U.S.C., §§ 981(a)(1)(C),
982(a)(2)(B), 982(b)(1), 1028(a)(7),
1028(b)(1)(D), 1028(b)(5),
1028(c)(3)(A), 1028A(a)(1), 1028A(b),
1028A(c)(5), 1341, 1349, 2326(2)(A),
2326(2)(B), 2 and 3551 et seq.; T. 21,
U.S.C., § 853(p); T. 28, U.S.C., §
2461(c))

FEUERSTEIN, J.

LINDSAY, M.J.

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. The Defendant and Related Entities

1. The defendant WILLIAM PATRICK NANRY operated an enterprise with a principal place of business in Rockland County, New York. NANRY specialized in selling a type of telemarketing product called a "lead" to a small group of clients operating within the telemarketing industry. NANRY operated under several business names, but most commonly, he referred to his enterprise as Carmen San Diego Travel ("CSDT"). NANRY employed several individuals who performed hourly work for his business.

2. Supplier-1, an individual whose identity is known to the Grand Jury, was a businessman in New Jersey who managed large amounts of data for direct mailing and telemarketing campaigns.

3. Printer-1, an entity whose identity is known to the Grand Jury, was a professional printing company located in Nassau County, New York.

4. Printer-2, an entity whose identity is known to the Grand Jury, was a professional printing company located in Rockland County, New York.

5. The defendant WILLIAM PATRICK NANRY sold leads to various clients (collectively, “the Clients”), including, but not limited to:

(a) Broker-1, an individual whose identity is known to the Grand Jury, who was a lead broker based near Fort Myers, Florida; and

(b) Broker-2, an entity whose identity is known to the Grand Jury, which was a business offering lead brokerage services based in Phoenix, Arizona.

II. Background of the Sweepstakes Telemarketing Industry

6. Telemarketers needed access to the contact information of individuals who were willing to listen to their pitches in order to sell products by telephone. The telemarketers’ demand for fresh names gave rise to an industry of brokers who collected the contact information of individuals from all over the United States and other countries to sell to businesses pitching products by telephone.

7. The personal identifying information that these individuals provided to telemarketers—usually name, phone number, and address—was called a “lead.” The people who compiled and sold this information were called “lead brokers.”

8. Two types of leads that lead brokers sold to telemarketers were called “sweepstakes leads” and “astrology leads.” Sweepstakes leads were generated from mass mailings that advertised potential winnings in lotteries or drawings and notified the recipients

that they may have won, or were likely to win, prizes and cash payouts. Astrology leads originated from mass mailings that advertised astrological services. Frequently, fraudulent telemarketers obtained these sweepstakes and astrology leads, called the person identified in the lead, and attempted to defraud the person by using various sham pitches.

9. In order to claim their putative prizes or receive their astrological readings, the recipients were asked to mail in an attached slip of paper, on which the recipients were required to list personal information, such as a name, phone number, and address. These slips of paper were known as “hard copy leads,” “coupon leads,” or “hard copy coupons.” The hard copy leads were then generally sold to lead brokers, who, in turn, provided them to other lead brokers or to telemarketers.

III. The Fraudulent Scheme

10. In or about and between January 2009 and July 2015, both dates being approximate and inclusive, the defendant WILLIAM PATRICK NANRY, together with others, did knowingly and intentionally execute and attempt to execute a scheme to defraud the Clients and to obtain money and funds owned by the Clients by obtaining the personal information of thousands of people—principally people over 55 years old—without the consent of these individuals, and using this personal information to create counterfeit hard copy leads, which he then sold as authentic hard copy leads to the Clients who desired this information for use in telemarketing pitches.

11. It was further part of the scheme to defraud that in order to generate these counterfeit hard copy leads, the defendant WILLIAM PATRICK NANRY purchased databases of names and personal identifying information from Supplier-1, a businessman in

New Jersey who managed large amounts of data for direct mailing and telemarketing efforts. Supplier-1 had access to the names of hundreds of thousands of people who had responded to certain direct mail campaigns. These responses were generated from a wide variety of mailings pitching a range of products and services. Some of these responses were generated through sweepstakes and astrology mailings. However, many of them were not. Many of the names to which Supplier-1 had access belonged to people who had never responded to a sweepstakes mailing or an astrology offer. The bulk of the names and personal identifying information sent from Supplier-1 to NANRY belonged to people over the age of 55.

12. It was further part of the scheme to defraud that upon receiving the databases of names and personal identifying information from Supplier-1, the defendant WILLIAM PATRICK NANRY created and directed others to create counterfeit hard copy leads that looked like real responses to actual sweepstakes and astrology mailings. These counterfeit hard copy leads contained spaces into which the basic personal identifying information of the putative respondent—like name and address—was printed. The slips also included blanks onto which the respondent was to handwrite certain additional personal identifying information, such as a phone number, a signature, or a notation about whether the respondent had a credit card. The counterfeit hard copy leads were not authentic responses to any mailings. None of the individuals named on the leads had actually written any information thereon. The individuals whose names and personal identifying information NANRY caused to be printed on these leads had no knowledge that NANRY was using their names and personal identifying information.

13. It was further part of the scheme to defraud that the defendant WILLIAM PATRICK NANRY emailed electronic versions of the counterfeit hard copy leads, along with a database of names obtained from Supplier-1, to certain professional printing companies, including Printer-1, in Nassau County, New York, and Printer-2, in Rockland County, New York. Pursuant to NANRY's instruction, these companies printed the names contained in the spreadsheets onto the template forms that NANRY provided.

14. It was further part of the scheme to defraud that the defendant WILLIAM PATRICK NANRY utilized a network of employees and associates in Nassau County and Rockland County, New York, and elsewhere, to handwrite the necessary personal identifying information onto the counterfeit hard copy leads. Some of this handwriting work occurred at NANRY's home in Rockland County, New York. Depending on the exact template used, NANRY's employees and associates would add, for example, a phone number, a forged signature, or the initials of the putative respondent.

15. It was further part of the scheme to defraud that the defendant WILLIAM PATRICK NANRY provided instructions to his employees and associates intended to ensure that the counterfeit leads looked authentic. For instance, when filling out personal identifying information, NANRY directed employees and associates to alternate between a large number of pens in a variety of colors. They were also told by NANRY, or those acting at his direction, to vary their handwriting styles and the manner in which they held the pens when writing personal identifying information. Once the writing was completed, some of NANRY's employees would occasionally crumple the pieces of paper, stomp on them, or otherwise make them appear worn.

16. It was further part of the scheme to defraud that employees of Printer-1 would send the completed counterfeit hard copy leads from their office in Nassau County, New York, to an address NANRY controlled in Bergen County, New Jersey, via Federal Express (“FedEx”), a private and commercial interstate carrier.

17. It was further part of the scheme to defraud that the defendant WILLIAM PATRICK NANRY sold these counterfeit hard copy leads to the Clients as authentic hard copy leads. Many of these counterfeit leads ultimately landed in the hands of fraudulent telemarketers. Some of the people whose identities were used in NANRY’s fake leads were in fact later victimized by fraudulent telemarketers.

COUNT ONE
(Conspiracy to Commit Mail and Wire Fraud)

18. The allegations contained in paragraphs one through 17 are realleged and incorporated as if fully set forth in this paragraph.

19. In or about and between January 2009 and July 2015, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant WILLIAM PATRICK NANRY, together with others, did knowingly and intentionally conspire to devise a scheme and artifice to defraud the Clients, and to obtain money and property from the Clients by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme and artifice, (a) to place in authorized depositories for mail matter to be sent and delivered by private and commercial interstate carrier, and taken and received therefrom, mail matter, contrary to Title 18, United States Code, Section 1341, and (b) to transmit and cause to be transmitted,

by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures and sounds, contrary to Title 18, United States Code, Section 1343.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

COUNT TWO

(Mail Fraud)

20. The allegations contained in paragraphs one through 17 are realleged and incorporated as if fully set forth in this paragraph.

21. On or about February 25, 2015, within the Eastern District of New York, the defendant WILLIAM PATRICK NANRY, together with others, did knowingly and intentionally devise a scheme and artifice to defraud the Clients, and to obtain money and property from the Clients 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, caused to be delivered by a private and commercial interstate carrier, a package containing counterfeit hard copy leads, which was sent from Printer-1 in Nassau County, New York, to a location controlled by NANRY in Bergen County, New Jersey, via FedEx, a private and commercial interstate carrier.

(Title 18, United States Code, Sections 1341, 2 and 3551 et seq.)

COUNT THREE

(Identity Theft)

22. The allegations contained in paragraphs one through 17 are realleged and incorporated as if fully set forth in this paragraph.

23. In or about and between January 2009 and July 2015, both dates being approximate and inclusive, within the Eastern District of New York, the defendant

WILLIAM PATRICK NANRY, together with others, did knowingly and intentionally transfer and possess, without lawful authority, means of identification of other people, to wit: names and phone numbers contained in Microsoft Excel spreadsheets sent on several occasions from NANRY to Printer-1, with the intent to commit, and to aid and abet, and in connection with, an unlawful activity that constituted one or more violations of federal law, to wit: mail fraud and mail fraud conspiracy, in violation of Title 18, United States Code, Sections 1341 and 1349, and constituted one or more felonies under applicable State law, to wit: criminal possession of forgery devices, in violation of New York Penal Law Section 170.40; identity theft in the second degree, in violation of New York Penal Law Section 190.79; scheme to defraud in the first degree, in violation of New York Penal Law Section 190.65; forgery, in violation of New Jersey Revised Statute 2C:21-1.a.; and possession of forgery devices, in violation of New Jersey Revised Statute 2C:21-1.c., in and affecting interstate commerce, and in connection with the conduct of telemarketing and targeting and victimizing 10 or more persons over the age of 55, and as a result, did obtain things of value aggregating \$1,000 and more during a one-year period.

(Title 18, United States Code, Sections 1028(a)(7), 1028(b)(1)(D), 1028(c)(3)(A), 2326(2)(A), 2326(2)(B), 2 and 3551 et seq.)

COUNT FOUR
(Aggravated Identity Theft)

24. The allegations contained in paragraphs one through 17 are realleged and incorporated as if fully set forth in this paragraph.

25. In or about and between January 2009 and July 2015, both dates being approximate and inclusive, within the Eastern District of New York, the defendant WILLIAM PATRICK NANRY, together with others, during and in relation to the crimes charged in Counts One and Two, did knowingly and intentionally transfer and possess, without lawful authority, a means of identification of another person, to wit: names and phone numbers contained in Microsoft Excel spreadsheets sent on numerous occasions from WILLIAM PATRICK NANRY to Printer-1, knowing that the means of identification belonged to other persons, and in connection with the conduct of telemarketing and targeting and victimizing 10 or more persons over the age of 55.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(b), 1028A(c)(5), 2326(2)(A), 2326(2)(B), 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION AS TO COUNTS ONE AND TWO

26. The United States hereby gives notice to the defendant that, upon his conviction of the offenses charged in Counts One and Two, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offenses to forfeit any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of such offenses, including but not limited to the following:

(a) A money judgment in the amount of \$1,732,756.00 in United States currency, in that such sum in aggregate is property representing the amount of proceeds obtained as a result of the offenses;

(b) All funds on deposit in account number ending in 8350 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(c) All funds on deposit in account number ending in 8003 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(d) All funds and other property on deposit in account number ending in 9101 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(e) The real property and premises located at 111 East 23rd Street, Ship Bottom, New Jersey 08008, together with its respective buildings, appurtenances, improvements, fixtures, attachments and easements; and

(f) The real property and premises located at 11 Joseph Bow Court, Pearl River, New York 10965, together with its respective buildings, appurtenances, improvements, fixtures, attachments and easements.

27. If any of the above-described forfeitable property, 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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

CRIMINAL FORFEITURE ALLEGATION AS TO COUNT THREE

28. The United States also gives notice to the defendant that, upon his conviction of the offense charged in Count Three, the government will seek forfeiture in accordance with: (a) Title 18, United States Code, Section 982(a)(2)(B), which requires any person convicted of such offense to forfeit any property constituting, or derived from, proceeds obtained directly or indirectly as a result of such offense; and (b) Title 18, United States Code, Section 1028(b)(5), which requires any person convicted of such offense to forfeit any personal property used or intended to be used to commit the offense, including but not limited to the following:

(a) A money judgment in the amount of \$1,732,756.00 in United States currency, in that such sum in aggregate is the property representing the amount of the proceeds obtained as a result of the offenses;

(b) All funds on deposit in account number ending in 8350 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(c) All funds on deposit in account number ending in 8003 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(d) All funds and other property on deposit in account number ending in 9101 at JPMorgan Chase held in the name of WILLIAM PATRICK NANRY and all proceeds traceable thereto;

(e) The real property and premises located at 111 East 23rd Street, Ship Bottom, New Jersey 08008, together with its respective buildings, appurtenances, improvements, fixtures, attachments and easements; and

(f) The real property and premises located at 11 Joseph Bow Court, Pearl River, New York 10965, together with its respective buildings, appurtenances, improvements, fixtures, attachments and easements.

29. If any of the above-described forfeitable property, 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;

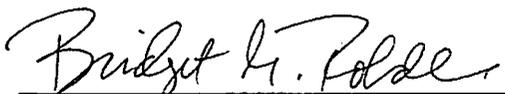
it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(2)(B), 982(b)(1) and 1028(b)(5); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

A TRUE BILL



FOREPERSON



BRIDGET M. ROHDE
ACTING UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK



for SANDRA MOSER
ACTING CHIEF, FRAUD SECTION
CRIMINAL DIVISION

F. #2017R01569
FORM DBD-34
JUN. 85

No. _____

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

WILLIAM PATRICK NANRY,

Defendant.

INDICTMENT

(T. 18, U.S.C., §§ 981(a)(1)(C), 982(a)(2)(B), 982 (b)(1), 1028(a)(7), 1028(b)(1)(D),
1028(b)(5), 1028(c)(3)(A), 1028A(a)(1), 1028A(b), 1028A(c)(5), 1341, 1349, 2326(2)(A),
2326(2)(B), 2 and 3551 et seq.; T. 21, U.S.C., § 853(p); T.28, U.S.C. § 2461(c))

A true bill. _____



Foreperson

Filed in open court this _____

day, of _____

A.D. 20 _____

Clerk

Bail, \$ _____

**Timothy A. Duree, Trial Attorney, DOJ Fraud Division
202-616-2660**

FILED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D.N.Y.

INFORMATION SHEET

* OCT 03 2017 *

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

LONG ISLAND OFFICE

1. Title of Case: United States v. William Patrick Nanry

2. Related Magistrate Docket Number(s): _____

3. Arrest Date: Click here to enter a date.

CR-17 0538

4. Nature of offense(s): Felony
 Misdemeanor

**FEUERSTEIN, J.
LINDSAY, M.J.**

5. Related Cases - Title and Docket No(s). (Pursuant to Rule 50.3.2 of the Local E.D.N.Y. Division of Business Rules): _____

6. Projected Length of Trial: Less than 6 weeks
More than 6 weeks

7. County in which crime was allegedly committed: Nassau
(Pursuant to Rule 50.1(d) of the Local E.D.N.Y. Division of Business Rules)

8. Was any aspect of the investigation, inquiry and prosecution giving rise to the case pending or initiated before March 10, 2012.¹ Yes No

9. Has this indictment/information been ordered sealed? Yes No

10. Have arrest warrants been ordered? Yes No

11. Is there a capital count included in the information? Yes No

BRIDGET M. ROHDE
ACTING UNITED STATES ATTORNEY

By: 
Timothy A. Duree
Trial Attorney, DOJ Fraud Division
202-616-2660

¹ Judge Brodie will not accept cases that were initiated before March 10, 2012.

TO: Clerk's Office
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

RECEIVED
IN CLERK'S OFFICE
U.S. DISTRICT COURT E.D.N.Y.

★ OCT 03 2017 ★



LONG ISLAND OFFICE

APPLICATION FOR LEAVE
TO FILE DOCUMENT UNDER SEAL

CR - 17 0538

-v.-

Docket Number

SUBMITTED BY: Plaintiff ___ Defendant ___ DOJ ___

Name: _____

Firm Name: _____

Address: _____

Phone Number: _____

E-Mail Address: _____

INDICATE UPON THE PUBLIC DOCKET SHEET: YES ___ NO ___

If yes, state description of document to be entered on docket sheet:

MANDATORY CERTIFICATION OF SERVICE:

A.) ___ A copy of this application either has been or will be promptly served upon all parties to this action, B.) ___ Service is excused by 31 U.S.C. 3730(b), or by the following other statute or regulation: _____; or C.) ___ This is a criminal document submitted, and flight public safety, or security are significant concerns. (Check one)

DATE

SIGNATURE

A) If pursuant to a prior Court Order:
Docket Number of Case in Which Entered: _____
Judge/Magistrate Judge: _____
Date Entered: _____

B) If a new application, the statute, regulation, or other legal basis that authorizes filing under seal

ORDERED SEALED AND PLACED IN THE CLERK'S OFFICE,
AND MAY NOT BE UNSEALED UNLESS ORDERED BY
THE COURT.

DATED: Central Islip 10/3/17
Brooklyn, NEW YORK

s/ Anne Y. Shields

U.S. DISTRICT JUDGE/U.S. MAGISTRATE JUDGE

RECEIVED IN CLERK'S OFFICE _____
DATE