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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : Mag. No. 12-3715  
 :  
 v. : Hon. Mark Falk  
 :  
 TEMESHIA McDONALD : **CRIMINAL COMPLAINT**

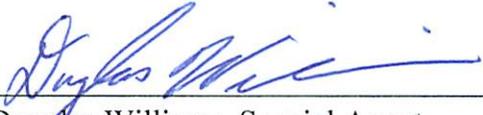
I, Douglas Williams, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

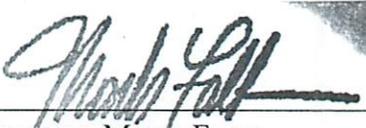
I further state that I am a Special Agent with the United States Secret Service and that this Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

  
\_\_\_\_\_  
Douglas Williams, Special Agent  
United States Secret Service

Sworn to before me and subscribed in my presence,  
on December 3, 2012, at Newark, New Jersey

  
\_\_\_\_\_  
HONORABLE MARK FALK  
UNITED STATES MAGISTRATE JUDGE

**ATTACHMENT A**

From at least as early as in or about April 2011 to in or about September 2012, in Essex County, in the District of New Jersey, and elsewhere, defendant

TEMEISHA McDONALD,

knowingly and with intent to defraud, did traffic in and use one or more unauthorized access devices, namely credit card numbers, during any one-year period, and by such conduct obtained anything of value aggregating \$1,000 or more during that period.

In violation of Title 18, United States Code, Sections 1029(a)(2) and 2.

## **ATTACHMENT B**

I, Douglas Williams, am a Special Agent with the United States Secret Service. I have knowledge of the following facts based upon both my investigation and discussions with other law enforcement personnel and others. Because this affidavit is being submitted for the sole purpose of establishing probable cause to support the issuance of a complaint, I have not included each and every fact known to the government concerning this matter. Where statements of others are set forth herein, these statements are related in sum and substance and in part. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

### **Overview of "Forced Sale" Credit Card Scams**

1. The fraud at issue in this case involved a particular type of credit card transaction known as a "forced sale," which is used from time to time in regular business dealings. Ordinarily, when a merchant swipes a credit or debit card, a computerized check is performed to determine whether the account associated with the card is valid. If the account is open and funds are available, the transaction goes through; if the account is closed or funds are unavailable, the transaction is denied.

2. If the transaction is denied, a merchant has two choices: ask the customer for another card, or perform a "forced sale" using the declined card. During a typical forced sale, the merchant calls the card issuer (i.e., the customer's bank or credit card company) and receives an authorization code. The merchant types the code into the credit card terminal and "forces" the transaction, essentially overriding the denial and allowing the sale to go through. At some later date, the merchant and the card issuer settle the outstanding charge.

3. But for technical reasons relating to the forced sale process, it does not actually matter what code the merchant types into the terminal. Any combination of digits will override the denial. So long as the customer provides a fake authorization code and convinces the merchant to enter it into the terminal, the transaction will go through. The merchant is unlikely to discover the fraud until days or weeks later.

### **McDONALD's \$800,000 Forced Sale Scheme**

4. From at least as early as in or about April 2011 to in or about September 2012, TEMESHIA McDONALD convinced retail merchants to "force" more than 500 transactions on her behalf, totaling more than \$800,000 in attempted credit card purchases. Although it is difficult to determine how often her scam was successful, law enforcement has determined that McDONALD acquired at least \$350,000 in merchandise, and the total amount is likely much higher. McDONALD used this "forced sale" scheme to obtain gift cards, clothes, and

accessories from a variety of retail stores, including Victoria's Secret, Wet Seal, Banana Republic, The Children's Place, and BCBG, in New Jersey and other states.

5. McDONALD's *modus operandi* followed a basic pattern. When the cashier finished ringing up McDONALD's goods, McDONALD would provide an expired or counterfeit card. The transaction would be denied. McDONALD would then pretend to call the card issuer and/or claim to possess an "authorization code" that would allow the purchase to go through. The cashier would then enter the code, thereby forcing the sale and permitting the purchase. Only later, when the merchant and the credit card company attempted to settle the charge, would the retail store realize that McDONALD had provided a fake code.

6. An April 21, 2012 incident in Millburn, New Jersey illustrates McDONALD's scheme. At approximately 6:00 p.m. on April 21, McDonald entered The Gap inside the Mall at Short Hills. She selected thirty-four items, with a total value of \$591.81, and proceeded to the checkout counter. She then asked for two gift cards in the amount of \$1,000.00 each, for a total purchase amount of \$2,591.82. McDONALD provided a non-functioning debit card for the purchase, explaining to the cashier that her identity had been stolen and that the cashier would need to use an authorization code to complete the transaction. The cashier used the code, the transaction was completed, and McDONALD left the store with two large shopping bags of merchandise. The entire incident was captured on surveillance video.

#### Gift Card Purchases

7. In many cases, McDONALD used her forced sale scam to purchase gift cards, which she then transferred to others. Victoria's Secret was one of her most frequent targets. The table below provides a partial list of McDONALD's "forced sales" during a two-month period in mid-2012. All of these purchases were made using a cancelled debit card associated with a TD Bank account that was closed nearly a year before the transactions listed below.

Date	Store	Location	Town	Amount
05/20/12	Victoria's Secret	Broadway SoHo Store	New York, NY	\$1,000
05/22/12	Victoria's Secret	Franklin Mills Mall	Philadelphia, PA	\$3,500
05/23/12	Victoria's Secret	Menlo Park Mall	Edison, NJ	\$3,000
05/28/12	Victoria's Secret	Oxford Valley Mall	Langhorne, PA	\$2,500
05/28/12	Victoria's Secret	Monmouth Mall	Eatontown, NJ	\$5,000
05/29/12	Victoria's Secret	Oxford Valley Mall	Langhorne, PA	\$3,000

06/01/12	Victoria's Secret	Garden State Plaza	Paramus, NJ	\$5,000
06/03/12	Victoria's Secret	Monmouth Mall	Eatontown, NJ	\$5,000
06/07/12	Victoria's Secret	Christiana Mall	Newark, DE	\$2,500
06/08/12	Victoria's Secret	Menlo Park Mall	Edison, NJ	\$2,500
06/10/12	Victoria's Secret	Staten Island Mall	Staten Island, NY	\$2,500
06/10/12	Victoria's Secret	Menlo Park Mall	Edison, NJ	\$2,500
06/13/12	Victoria's Secret	Quakerbridge Mall	Lawrenceville, NJ	\$2,500
06/14/12	Victoria's Secret	Menlo Park Mall	Edison, NJ	\$3,000
06/17/12	Victoria's Secret	Staten Island Mall	Staten Island, NY	\$1,000
06/18/12	Victoria's Secret	The Promenade	Edgewater, NJ	\$5,000
06/23/12	Victoria's Secret	Quakerbridge Mall	Lawrenceville, NJ	\$5,000
07/01/12	Victoria's Secret	Menlo Park Mall	Edison, NJ	\$5,000
07/05/12	Victoria's Secret	Burlington Center Mall	Burlington, NJ	\$5,000
07/06/12	Victoria's Secret	Burlington Center Mall	Burlington, NJ	\$5,000
07/10/12	Victoria's Secret	Marlton Center Mall	Marlton, NJ	\$1,000
07/16/12	Victoria's Secret	Atlantic Terminal	Brooklyn, NY	\$5,000
07/19/12	Victoria's Secret	Cherry Hill Mall	Cherry Hill, NJ	\$5,000

8. Corporate investigators at Victoria's Secret have confirmed that all of the transactions listed in the table above involved the purchase of gift cards, typically in denominations of \$500 per card. To date, Victoria's Secret has identified approximately 722 gift cards that McDONALD acquired via forced sale transaction. The combined face value of the 722 cards is approximately \$355,545.00.

#### **McDONALD's "Legitimate" Credit Card**

9. In addition to her expired cards, McDONALD also maintained at least one active card at TD Bank, which was opened in or about September 2011 and was closed in or about September 2012. Bank records indicate that McDONALD used this active TD Bank card for her own day-to-day purchases, occasionally to buy items at the very same stores she was defrauding. On July 16, 2012, for example, McDONALD visited the Victoria's Secret at Brooklyn's Atlantic Terminal shopping center. Using one of her inactive cards, she "purchased" (via forced sale)

\$5,000 in gift cards. Moments later, using her active TD card, she purchased \$232.28 worth of merchandise at the same store. Both transactions are captured on the store's surveillance video.

### **McDONALD's Use of the Fraudulent Proceeds**

10. Among other things, McDONALD used the proceeds of her fraud to pay for plastic surgery, to make the down payment on a 2012 Cadillac CTS Coupe, and to purchase thousands of dollars of merchandise at high-end women's clothing stores.