

ORIGINAL FILED
MAR 27 2014
WILLIAM T. WALSH, CLERK

UNITED STATES DISTRICT COURT
for the
DISTRICT OF NEW JERSEY

United States of America)

v.)

WANELL WALLACE)

Case No.

14-MJ-2016(JS)

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of February 2014 through March 2014 in the county of Atlantic in the District of New Jersey, the defendant(s) violated:

<i>Code Section</i>	<i>Offense Description</i>
Count 1: Title 18, United States Code, Section 1029(b)(2)	Count 1: Conspiracy to produce, use, and traffic in, one or more counterfeit access devices, with intent to defraud, in a manner affecting interstate commerce, contrary to Title 18, United States Code, Section 1029(a)(1).
Count 2: Title 18, United States Code, Section 1029(b)(2)	Coun 2: Conspiracy to traffic in and use one or more unauthorized access devices during any one-year period, with intent to defraud, and by such conduct obtain anything of value aggregating \$1,000 or more during that period, contrary to Title 18, United States Code, Section 1029(a)(2).

This criminal complaint is based on these facts:

SEE ATTACHMENT B.

Continued on the attached sheet.



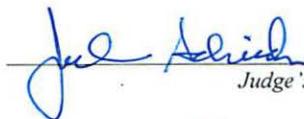
Complainant's signature

Special Agent Christian E. Bolf, U.S. Secret Service

Printed name and title

Sworn to before me and signed in my presence.

Date: 03/27/2014



Judge's signature

City and state: Camden, New Jersey

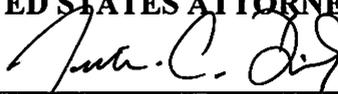
Hon. Joel Schneider, U.S. Magistrate Judge

Printed name and title

CONTENTS APPROVED

UNITED STATES ATTORNEY

By: _____



Assistant U.S. Attorney Justin C. Danilewitz

Date: March 27, 2014

ATTACHMENT A

Count 1

From at least as early as in or about February 2014 through in or about March 2014, in Atlantic County, in the District of New Jersey and elsewhere, defendants

TRACY A. COLEMAN, and
WANELL WALLACE,

did knowingly and intentionally conspire and agree with each other and others, known and unknown, to produce, use, and traffic in, one or more counterfeit access devices, with intent to defraud, in a manner affecting interstate commerce, contrary to Title 18, United States Code, Section 1029(a)(1).

In violation of Title 18, United States Code, Section 1029(b)(2).

Count 2

From at least as early as in or about February 2014 through in or about March 2014, in Atlantic County, in the District of New Jersey and elsewhere, defendants

TRACY A. COLEMAN, and
WANELL WALLACE,

did knowingly and intentionally conspire and agree with each other and others, known and unknown, to traffic in and use one or more unauthorized access devices during any one-year period, with intent to defraud, and by such conduct obtain anything of value aggregating \$1,000 or more during that period, contrary to Title 18, United States Code, Section 1029(a)(2).

In violation of Title 18, United States Code, Section 1029(b)(2).

ATTACHMENT B

I, Christian E. Bolf, being first duly sworn, depose and state the following:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent in the U.S. Secret Service (“USSS”), within the U.S. Department of Homeland Security. I have been a Special Agent with the USSS for approximately 15 years, and I am currently assigned to the USSS field office in Egg Harbor Township, New Jersey. I am responsible for investigations of criminal violations related to financial institution fraud, credit card fraud, counterfeiting, and threats against the President of the United States. I have received training in, and have participated in, a number of credit card fraud, check fraud, counterfeiting, and other types of bank fraud investigations, including by participating in surveillance, cash seizures, arrests, and interviews. During my employment at the USSS I have also trained other special agents in the manner and means by which criminals conduct credit card fraud, including by teaching a course on credit card fraud and the manufacturing of fraudulent credit cards at the USSS academy in Beltsville, Maryland. Prior to my employment with the USSS, I worked as a Certified Public Accountant in New Jersey. Based upon my training and experience, I am familiar with various types of financial institution fraud schemes involving credit card fraud, wire fraud, check fraud, and fictitious instruments.
2. Since this Affidavit is submitted for the sole purpose of establishing probable cause to support the issuance of federal criminal complaints and arrest warrants, I have not included each and every fact known by the Government concerning this investigation. Except as otherwise indicated, the actions, conversations, and statements of others identified in this Affidavit – even where they appear in quotations – are reported in substance and in part. Similarly, dates and times are approximations, and should be read as “on or about,” “in or about,” or “at or about” the date or time provided.

OVERVIEW OF THE CONSPIRACY

3. This Affidavit, and the evidence summarized below – which is based upon my training and experience, my own investigation, and information provided to me by civilian witnesses and investigators, and law enforcement personnel – summarizes facts demonstrating probable cause to believe that the targets of this investigation, Wanell Wallace (“WALLACE”), and Tracey A. Coleman (“COLEMAN”), are co-conspirators in a credit card fraud scheme that has taken place in the District of New Jersey, as well as in the states of New York and Pennsylvania, and elsewhere. The financial loss perpetrated from as early as April 2013 to the present is estimated to be over \$500,000, with over \$50,000 in losses in the month of March 2014 alone.
4. The principal victim of the scheme, Capital One Bank (USA), N.A. (“Capital One”), has identified numerous fraudulent credit card transactions, in part because the credit cards were used within a short time to buy the same merchandise although the legitimate card holders are located in different geographical parts of the United

States. Capital One has confirmed with the legitimate card holders that they did not conduct these transactions.

5. My investigation has revealed that WALLACE and COLEMAN are conspiring to commit credit card fraud by using the compromised account numbers of Capital One credit cards, which are then loaded onto counterfeit credit cards. As discussed in more detail below, one way in which the co-conspirators have used the counterfeit credit cards to generate income is through their purchases of prepaid debit cards with the counterfeit credit cards – frequently offered through a company called InComm, which offers “Vanilla Reload” debit cards¹ – which they then use to deposit money into other accounts, such as American Express (“AmEx”) or PayPal accounts. In this way, WALLACE and COLEMAN are able to convert fraudulent credit cards into seemingly legitimate income that can be deposited into their AmEx accounts.

FACTS SUPPORTING PROBABLE CAUSE

6. On February 25, 2014, I received a spreadsheet compiled by an Investigator from Capital One (the “Capital One Investigator”), reflecting fraudulent credit card transactions throughout New Jersey, New York, and Pennsylvania. The majority of these fraudulent transactions occurred at CVS Caremark (“CVS”) drugstores. In reviewing the information provided on the spreadsheet, it appeared to me that someone had obtained the Capital One compromised accounts – which I know, based upon my training and experience, can be obtained over the Internet – and then loaded them electronically onto counterfeit credit cards, and changed the legitimate cardholder’s name encoded on the credit card’s magnetic strip. On each of the fraudulent transactions, the legitimate cardholder’s name had been deleted, and the name “WALLACE/WANELL” appeared instead.
7. On February 27, 2014, I provided an Investigator at the Borgata Hotel and Casino, in Atlantic City, New Jersey (the “Borgata Investigator”) with the details of two attempted fraudulent transactions conducted on February 22, 2014, using Capital One account numbers XXXXXXXXXXXXX9824 and XXXXXXXXXXXXX0618, at the Borgata buffet restaurant, each in the amount of \$99.35. These transactions were listed on the aforementioned spreadsheet provided by Capital One.
8. On February 28, 2014, the Borgata Investigator provided to me surveillance video showing an individual later identified as WALLACE, an individual later identified as COLEMAN, and an individual later identified as Witness 1 (“W-1”), at the cash register at the Borgata buffet on February 22, 2014 while WALLACE attempted to conduct transactions using cards with the aforementioned two account numbers. WALLACE appears in the surveillance video actually using these cards during the attempted transactions. After the cards were declined, W-1 is seen in the surveillance video paying for the charge.
9. The Borgata Investigator also provided video surveillance of a white van that the

¹ See Vanilla Reload website, at <https://www.vanillareload.com/index.php/> (last visited Mar. 26, 2014).

group traveled in (a 2008 GMC Savannah, bearing New York license plate FDF-8322, and VIN XXXXXXXXXXXXXXX4352, registered to Tracey A. Coleman), which appeared to be the same van also seen in surveillance video at multiple CVS drugstores provided by a CVS Investigator. WALLACE, COLEMAN, and W-1, can all be seen exiting the vehicle in the surveillance footage.

10. The Borgata Investigator also provided me with information (including names, addresses, dates of birth, social security numbers, phone numbers, and New York driver's license numbers) for W-1 and two individuals listed under W-1's reservations at the Borgata from February 21, 2014 through February 23, 2014. Those two individuals are WALLACE and COLEMAN, and a check of the New York driver's licenses of these individuals confirms the identities of WALLACE and COLEMAN because the photographs on their respective New York driver's licenses match the images of WALLACE and COLEMAN that appear in the surveillance footage from the Borgata.
11. The Borgata Investigator informed me that a hotel reservation was made via the internet, for a room at the Borgata, using AmEx account number XXXXXXXXXXXX4669 (*i.e.*, an account registered in COLEMAN's name, and with his personal information associated with it) for March 14, 2014 through March 16, 2014.
12. On March 13, 2014, I spoke with an investigator at CVS (the CVS Investigator), who said that he would send a "Be on the Lookout," or "BOLO" notification to CVS drugstores in New Jersey, instructing them to notify me if WALLACE was seen at their locations. The BOLO included various photographs of WALLACE.

Fraudulent Credit Card Transactions on March 14-16, 2014

13. On March 14, 2014, the following events occurred:
 - a. At 19:55, I received a phone call from Witness 2 ("W-2"), a Shift Manager at a CVS drugstore located in East Brunswick, New Jersey. W-2 stated that she recognized WALLACE from the BOLO and that he was then in her store conducting credit card transactions. I asked W-2 to discreetly take note of the credit cards that WALLACE was using.
 - b. At 20:17, W-2 called me and stated that WALLACE had just departed, that he was wearing a black hunting style hat and a scarf, and used two different credit cards to purchase Vanilla Reload cards. According to W-2, one card had "Chase" with a Disney theme printed on it, and the other had "HSBC" printed on it with a map of the world. W-2 stated that WALLACE attempted to use a third card, but it was invalid.
 - c. At 20:25, I received a phone call from Witness 3 ("W-3"), a Clerk at a CVS drugstore located in Jamesburg, New Jersey. W-3 stated that he recognized WALLACE from the BOLO, and that WALLACE was then in W-3's store. I asked W-3 to discreetly take note of the cards that WALLACE was using.

W-3 called me back and reported that WALLACE had just departed in a “big white van” with a New York license plate ending in 8372.² W-3 stated that while WALLACE was inside the store, he used two different credit cards and purchased Vanilla Reload cards. W-3 further stated that the credit cards that WALLACE used both had “Capital One” printed on them.

Both W-2 and W-3 recognized WALLACE as someone who had previously come to their stores to purchase large amounts of Vanilla Reload cards with credit cards.

- d. At 21:45, law enforcement conducted surveillance on a CVS drugstore in Galloway, New Jersey. The location of the store, and time of the surveillance, were chosen based upon the aforementioned Borgata reservation (from March 14, 2014 to March 16, 2014) that was made using COLEMAN’s AmEx account, and because WALLACE had conducted fraudulent credit card transactions at that CVS drugstore at approximately midnight on a Friday night when hotel reservations had been made in the name of either COLEMAN or W-1, which had happened on three prior weekends.

14. On March 15, 2014, the following events occurred:

- a. At 00:03, law enforcement observed COLEMAN’s white GMC van arrive at the CVS drugstore in Galloway, New Jersey, and back into a parking space facing east. Next, WALLACE was observed exiting the vehicle and walking into CVS. Approximately one minute later, New Jersey State Trooper Andy Murlock entered the CVS in plainclothes and observed WALLACE at the cash register. Trooper Murlock exited the store a few minutes later.
- b. At 00:15, I entered the CVS in plainclothes and noticed that WALLACE was still at the cash register. Next, I got in line behind WALLACE to purchase a bottle of water. While in line, I observed WALLACE, who was wearing a black hunting style hat, a scarf, and black leather pants, grab approximately three Vanilla Reload cards, which were located at the cash register. Next, I noticed WALLACE swipe a credit card that was silver in color and had “Visa” printed on it. Based upon my training and experience, I identified the card as counterfeit due to the hologram on the right side of the card, which appeared to have been printed using a silver cartridge from a card printer. WALLACE looked back at me and noticed that I was attempting to purchase a bottle of water. He then asked me, in sum and substance, whether that was all I had to buy. WALLACE appeared to me to be uncomfortable with me being behind him and observing his transaction, and looked at the cashier, seeming to me to be hoping that the cashier could conduct the sale for my bottle of water first. Shortly after, I purchased the bottle of water and exited the store.

² As noted above, the license plate on the white GMC Savannah van registered to COLEMAN in fact has a license plate ending in 8322 (*i.e.*, FDF-8322).

- c. At 00:20, WALLACE was observed exiting the CVS and entering COLEMAN's van.
 - d. At 00:31, COLEMAN's van departed the CVS, and was followed by a surveillance team until its arrival at the Borgata in Atlantic City, New Jersey at approximately 00:45.
 - e. At 01:00, WALLACE, COLEMAN, and a female later identified as W-1, were observed approaching the Borgata hotel check-in desk. WALLACE, COLEMAN, and W-1 all checked in using their New York Driver's licenses.
 - f. At 01:10, law enforcement observed WALLACE, COLEMAN, and W-1 enter an elevator leading to the hotel rooms.
 - g. At 01:35, I returned to the CVS in Galloway, New Jersey and interviewed Witness 4 ("W-4"), an Associate (*i.e.*, cashier). W-4 conducted the transactions for WALLACE while he was in the store earlier that evening. W-4 added that he recognized WALLACE from coming into the store a few times previously over the past few months. W-4 recalled that WALLACE purchased ten Vanilla Reload cards earlier that day that cost \$25 each. W-4 also remembered that WALLACE previously purchased Vanilla Reload cards in \$150 increments. W-4 recalled that WALLACE takes his credit card from the right side of his wallet. If the transaction cannot be completed, or if the card is "maxed out" (*i.e.*, has reached its credit limit), then WALLACE puts the card in the left side of his wallet. W-4 also noted that both of the cards that WALLACE used earlier on March 15, 2014 had "Wells Fargo" printed on them.
15. On March 16, 2014, the following events occurred:
- a. At 15:03, I received a call from Witness 5 ("W-5"), a Shift Manager at the same CVS drugstore in Galloway, New Jersey discussed above. W-5 advised that WALLACE was back in her store, and was then purchasing Vanilla Reload cards with credit cards. When I spoke with W-5 again later, W-5 told me that WALLACE had left in a white van with a New York license plate. W-5 told me that she recognized WALLACE from the CVS BOLO, and from coming to her store previously.
 - b. At 15:41, I received a telephone call from Witness 6 ("W-6"), a Shift Manager at a CVS drugstore in Smithville, New Jersey. W-6 stated that WALLACE was in her store, and that she told him that the cash register was rebooting, so it would be a few minutes before she could ring him up. I asked W-6 to call me back if WALLACE returned.

- c. At 16:47, W-6 called me again to report that WALLACE had returned to her store and had purchased \$150.00 worth of Vanilla Reload cards in \$25 increments. W-6 reported that WALLACE had used a card that was yellow with a “beach” theme to it. W-6 stated that WALLACE was wearing a black hat and plaid scarf, like the ones he wore on previous occasions.

The COLEMAN and WALACE AmEx Accounts

16. On March 17, 2014, I provided AmEx account number XXXXXXXXXXXXX4669 (the AmEx account registered to COLEMAN) to an Investigator at AmEx (the “AmEx Investigator”). An AmEx analyst noted that the same Internet Protocol (“IP”) address used to apply for this account was used to apply for account number XXXXXXXXXXXXX5930, which is an AmEx account registered to WALLACE, in the same general timeframe – *i.e.*, on the same day, and within hours of each other. Specifically:
 - a. On December 14, 2013, at 12:09 an individual applied for the WALLACE AmEx card via the Internet; and
 - b. On December 14, 2013, at 17:44 an individual applied for the COLEMAN AmEx card via the Internet.
17. On March 19, 2014, AmEx provided detailed account statements relating to account numbers XXXXXXXXXXXXX4669 and XXXXXXXXXXXXX5930. These statements show that COLEMAN’s and WALLACE’s real dates of birth and social security numbers were submitted when applying for these accounts. Review of these statements also indicates that both COLEMAN’s and WALLACE’s AmEx accounts were used at the same locations and during the same time frame (within minutes apart) on multiple occasions. For example:
 - a. On February 1, 2014, at 02:06, the AmEx card registered to COLEMAN was used for an ATM transaction at 801 Boardwalk (Showboat Casino), in Atlantic City, New Jersey in the amount of \$485.99. On February 1, 2014 at 02:07, the AmEx card registered to WALLACE was also used for an ATM transaction at 801 Boardwalk (Showboat Casino), in Atlantic City, New Jersey in the amount of \$485.99.
 - b. On March 1, 2014 at 04:43, the AmEx card registered to WALLACE was used for an ATM transaction at 1 Borgata Way (The Borgata), in Atlantic City, New Jersey in the amount of \$484.99. On March 1, 2014 at 04:44, the AmEx card registered to COLEMAN was also used for an ATM transaction at 1 Borgata Way (The Borgata), in Atlantic City, New Jersey in the amount of \$484.99.

18. In addition, the COLEMAN and WALLACE AmEx accounts have been funded, over a period of several months, almost exclusively with income from Vanilla Reload cards, without any other source of income. Specifically, between January 1, 2014 and March 10, 2014, the COLEMAN and WALLACE AmEx accounts were both funded exclusively through a large amount of “Vanilla Pack Reloads”. (These Vanilla Reloads were also the primary items purchased with the compromised Capital One accounts.) And on multiple occasions, both of these accounts were loaded with large quantities of Vanilla Pack Reloads within minutes of each other. For example:
 - a. On February 3, 2014, between 11:36 and 11:43, the COLEMAN AmEx account was funded using approximately ten separate Vanilla Reload cards. Also on February 3, 2014, between 11:48 and 11:56, the WALLACE AmEx account was also funded using approximately ten separate Vanilla Reload cards.
19. Surveillance evidence strongly supports the inference that COLEMAN is the holder of the COLEMAN AmEx account, and that he is the beneficiary of the funds deposited into that account, including the funds derived from Vanilla Reloads. For example:
 - a. On January 5, 2014 at 12:29, surveillance video reviewed by the CVS Investigator reflects that an individual appearing to be COLEMAN used the COLEMAN AmEx account to make a purchase of \$31.56, in Fresh Meadows, New York.
 - b. On March 15, 2014, between 15:16 and 15:18, photographs that I have reviewed show COLEMAN conducting three separate ATM withdrawals at an ATM machine at the Borgata using the COLEMAN AmEx card.
20. Surveillance evidence strongly supports the inference that WALLACE plays the principal role of conducting the fraudulent transactions, as he is seen on surveillance footage using the compromised Capital One accounts between approximately January 1, 2014 and March 16, 2014 at CVS stores as well as the Borgata, in the District of New Jersey, and elsewhere.
21. Information provided by Capital One confirms that the transactions at the CVS drugstores on March 14 and March 15, with cards using the name “WALLACE/WANELL,” were fraudulent. Furthermore, the times of these transactions, as reflected in the Capital One information, are in close proximity to the times of the witness reports summarized above.

The March 26, 2014 Transactions

22. On March 26, 2014, I received a phone call from Witness 7 ("W-7"), an employee at a CVS drugstore in Jamesburg, New Jersey, who told me that an individual matching the description of WALLACE, who had come into the store many times before, had purchased Vanilla Reload cards with multiple credit cards on March 26, 2014, and departed in what she described as a new green Jaguar with a New York license plate ending in 8391, driven by a light-skinned black female.

During the course of this investigation, I have obtained evidence, through records checks, that COLEMAN is the registered owner of a green 2011 Jaguar XJL, bearing New York license plate EJE8391.

CONCLUSION

23. For the foregoing reasons, there is probable cause to believe that COLEMAN and WALLACE are conspiring to commit credit card fraud by using compromised credit card account numbers to purchase prepaid cards, the funds from which are then deposited into AmEx accounts held in COLEMAN's and WALLACE's names.