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UNITED STATES DISTRICT COURT
DISTRICT OF OREGON
MEDFORD DIVISION

UNITED STATES OF AMERICA,

1:13-CR-00159-PA

Plaintiff,

SUPERSEDING INDICTMENT

v.

ROBERT LEE POWELSON,
EDUARDO NAVARRO,
DALLAS LEE TEDFORD,
KAYLA ANN STRANGE,
LANA LORRAINE MARSHALL,

18 U.S.C. § 371
18 U.S.C. § 1341
18 U.S.C. § 1344
18 U.S.C. § 1349
18 U.S.C. § 1028A(a)(1)
18 U.S.C. § 1708
18 U.S.C. § 982(a)(2)(A)

Defendants.

THE GRAND JURY CHARGES:

COUNT 1

CONSPIRACY TO COMMIT MAIL THEFT

Beginning in and about September 2012 and continuing to in and about March 2013, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, did unlawfully and knowingly conspire, confederate and agree with each other and with others known and unknown to the grand jury to steal and take from or out of the United States mail,

checks, credit cards, IRS forms and other financial documents and mail addressed to numerous people including “JR,” “DM,” “WR,” “MR” and “DD.”

6. On or about January 15, 2013, conspirator MARSHALL, possessed numerous pieces of stolen mail at the Motel 6, Medford, Oregon including checks and other personal documents and mail addressed to numerous people including “JC” and “SM.”

7. On or about February 9, 2013, conspirator POWELSON and others known to the grand jury, possessed approximately 1,000 pieces of stolen mail at the Econolodge, Ashland, Oregon including checks, credit cards, and other financial and tax documents belonging to victims of approximately 365 different addresses in the Medford, Oregon area.

8. On or about March 27, 2013, conspirator TEDFORD, possessed approximately 300 pieces of stolen mail at his residence including financial and tax documents, as well as approximately 138 stolen checks, belonging to approximately 161 victims from the Medford, Oregon area.

All in violation of Title 18, United States Code, Sections 371 and 1708.

COUNTS 2 THROUGH 6

THEFT OF MAIL

On or about the dates listed for each count below, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, did unlawfully and knowingly have in their possession stolen United States mail and the contents thereof as described below, knowing that the said mail and contents were stolen from the United States mail:

mail receptacles or other authorized mail depositories, and to receive, conceal and unlawfully have in their possession United States mail and the contents thereof knowingly stolen from the mail.

Overt Acts

In furtherance of the conspiracy and in order to effect the objects thereof, one or more of the conspirators committed and caused to be committed one or more of the following acts during the course of the conspiracy, among others:

1. Conspirators broke into mail boxes of over 800 victims in the Medford, Oregon area to steal mail containing checks, credit cards and other financial instruments, personal tax documents including IRS W2 and 1099 forms, and personal identifying information of the victims such as dates of birth and social security numbers.
2. Between on or about November 29, 2012 and January 31, 2013, conspirators POWELSON, NAVARRO and TEDFORD, possessed checks on the JP Morgan Chase Bank account of, and belonging to, "SS" and "JB," which had been knowingly stolen from the mail.
3. On or about January 13, 2013, conspirator TEDFORD, possessed a check on the Spirit of Alaska Federal Credit Union account of "JC," which had been knowingly stolen from the mail.
4. On or about January 29, 2013, conspirators POWELSON and STRANGE, possessed approximately 84 pieces of stolen mail located in a 1997 Dodge Avenger including checks, checkbooks and other financial and tax documents belonging to victims of about 81 different addresses in the Medford, Oregon area.
5. On or about January 30, 2013, conspirators POWELSON and STRANGE, possessed approximately 700 pieces of stolen mail at the Holiday Inn Express, Medford, Oregon including

COUNT 2

Date: January 15, 2013

Defendant(s): MARSHALL

Description: Checks on the Spirit of Alaska Federal Credit Union account of, and belonging to, "JC."

COUNT 3

Date: November 29, 2012 to December 2, 2012

Defendant(s): POWELSON, TEDFORD AND NAVARRO

Description: Checks on the JP Morgan Chase Bank account of, and belonging to, "SS" and "JB."

COUNT 4

Date: January 29, 2013

Defendant(s): POWELSON AND STRANGE

Description: Approximately 84 pieces of stolen mail including checks, checkbooks and other financial and tax documents belonging to victims of approximately 81 different addresses in the Medford, Oregon area.

COUNT 5

Date: February 9, 2013

Defendant(s): POWELSON

Description: Approximately 1,000 pieces of stolen mail including checks, credit cards, and other financial and tax documents belonging to victims of approximately 365 different addresses in the Medford, Oregon area.

COUNT 6

Date: March 27, 2013

Defendant(s): TEDFORD

Description: Approximately 300 pieces of stolen mail including financial and tax documents and checks, belonging to approximately 161 mail theft victims from the Medford, Oregon area.

All in violation of Title 18, United States Code, Section 1708.

COUNT 7

CONSPIRACY TO COMMIT BANK FRAUD

Beginning in and about September 2012 and continuing to in and about March 2013, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, did unlawfully and knowingly conspire, confederate and agree with each other and with others known and unknown to the grand jury to commit bank fraud by knowingly execute and attempt to execute a material scheme and artifice to defraud financial institutions whose deposits were then insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, and to obtain money, funds and property owned by, or under the custody and control of the financial institutions, by means of false and fraudulent pretenses and representations in violation of Title 18, United States Code, Section 1344.

The Manner and Means of the Scheme

1. Conspirators broke into mail boxes and vehicles of over 800 victims in the Medford, Oregon area to steal checks, credit cards and other financial instruments, personal tax documents including IRS W2 and 1099 forms, and personal identifying information of the victims such as

dates of birth and social security numbers, to use in unlawfully obtaining money and property from financial institutions, victim accounts and merchants.

2. Conspirators used stolen and fraudulent checks to have associates open bank accounts in the name of the associate for the specific purpose of defrauding the federally insured financial institutions.

3. After opening a bank account, associates relinquished their automated teller machine (ATM) account cards and personal identification numbers (PIN) received from the financial institution for those accounts to conspirators in exchange for cash.

4. Conspirators used the ATM account cards and PIN to make additional deposits with stolen and fraudulent checks and make additional withdrawals of cash, as well as make fraudulent purchases with account debit cards.

5. Conspirators deposited stolen and fraudulent checks into the bank accounts of their co-conspirators and associates for the specific purpose of defrauding the federally insured financial institutions. Conspirators then made cash withdrawals from those accounts at financial institutions.

6. Conspirators applied for and received credit cards from federally insured financial institutions in the name of various victims based upon the victim's stolen identity information and with a conspirator as an "authorized" signer on the account. The conspirators had the credit cards delivered by mail to residential addresses where they or their associates were living. Conspirators received and took possession of the mail containing the credit cards from the financial institutions sent to the residences and would subsequently use the credit cards.

7. Conspirators applied for and received American Express Bluebird cards, general purpose fund loaded cards, in the name of various victims based upon the victim's stolen identity

information. The conspirators had the Bluebird cards delivered by mail to residential addresses where they or their associates were living. Conspirators received and took possession of the mail containing the Bluebird cards sent to the residences. Conspirators then had the Bluebird cards loaded with funds through a variety of methods including having stolen and fraudulent checks loaded onto the cards using smart phone photo imagery of the check as a means of depositing the funds and transferring fraudulently obtained funds between other linked Bluebird cards. Conspirators subsequently used the Bluebird cards, including making cash withdrawals from financial institutions.

Overt Acts

In furtherance of the conspiracy and in order to effect the objects thereof, one or more of the conspirators committed and caused to be committed one or more of the following acts during the course of the conspiracy, among others:

8. Conspirator POWELSON deposited approximately thirty-one fraudulent checks into US Bank checking and saving accounts of other named conspirators, associates or others and withdrew cash proceeds from those accounts and made purchases using account debit cards.
9. Conspirator STRANGE compiled in a notebook various identifying information of victims that was acquired from stolen mail.
10. Conspirator STRANGE deposited approximately six fraudulent checks into US Bank checking and saving accounts in her name and other named associates and withdrew cash proceeds from those accounts.
11. On or about February 9, 2013, conspirator POWELSON compiled and/or possessed written notes of victim profiles including dates of birth and social security numbers that was acquired from stolen mail.

12. On or about October 1, 2012, conspirator MARSHALL presented to US Bank for deposit, and without lawful authority, stolen and forged check number 519, dated October 1, 2012, drawn on the Rogue Federal Credit Union account of “NU” in the amount of \$350.00 and, thereafter, obtained funds from the said US Bank.

13. On or about November 29, 2012, conspirator POWELSON presented to a US Bank ATM for deposit, and without lawful authority, stolen and forged check number 6501, dated November 29, 2012, drawn on the JP Morgan Chase Bank account of “SS” and “JB” in the amount of \$243.00 and, thereafter, obtained funds from the said US Bank.

14. On or about November 29, 2012, conspirator TEDFORD presented to JP Morgan Chase Bank for cashing, and without lawful authority, stolen and forged check number 6502, dated November 29, 2012, drawn on the JP Morgan Chase Bank account of “SS” and “JB” in the amount of \$400.00.

15. On or about December 2, 2012, conspirator NAVARRO presented to a US Bank ATM for deposit, and without lawful authority, stolen and forged check number 6504, dated December 2, 2012, drawn on the JP Morgan Chase Bank account of “SS” and “JB” in the amount of \$200.00 and, thereafter, funds were obtained from the said US Bank.

16. On or about December 2, 2012, conspirator STRANGE presented to US Bank for deposit, and without lawful authority, stolen and forged check number 2782, dated December 1, 2012, drawn on the Rogue Federal Credit Union account of “RG” and “KM” in the amount of \$200.00 and, thereafter, funds were obtained from the said US Bank.

17. On or about January 7, 2013, conspirator TEDFORD used a fraudulently obtained US Bank credit card in the name of “DD” to obtain a \$2,800 cash advance from US Bank in Medford, Oregon.

18. On or about February 1, 2013, conspirator POWELSON used a fraudulently obtained US Bank Visa credit card in the name of "WR" to obtain a \$2,100 cash advance from Rogue Federal Credit Union in Medford, Oregon.

19. On or about February 8, 2013, conspirator POWELSON used a fraudulently obtained American Express Bluebird Card in the name of "SP" to obtain \$442.00 cash from the Rogue Federal Credit Union in Medford, Oregon.

All in violation of Title 18, United States Code, Sections 1344 and 1349.

COUNTS 8 THROUGH 19

BANK FRAUD

On or about the dates listed for each count below, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, aided and abetted by others known and unknown to the grand jury, did knowingly execute and attempt to execute a material scheme and artifice to defraud, as set forth in Count 7, the below-listed financial institutions whose deposits were then insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, and to obtain money, funds and property owned by, or under the custody and control of these financial institutions, by means of false and fraudulent pretenses and representations, including but not limited to the following:

COUNT 8

Date: October 1, 2012

Defendant(s): POWELSON

Financial Institution(s): US Bank

Description: Presenting to a US Bank for deposit, and without lawful authority, stolen and forged check number 514, dated October 1, 2012, drawn on the Rogue Federal Credit Union account of "NU" in the amount of \$200.00 and, thereafter, obtaining proceeds from US Bank.

COUNT 9

Date: November 29, 2012

Defendant(s): POWELSON

Financial Institution(s): US Bank

Description: Presenting to a US Bank ATM for deposit, and without lawful authority, stolen and forged check number 6501, dated November 29, 2012, drawn on the JP Morgan Chase Bank account of "SS" and "JB" in the amount of \$243.00 and, thereafter, obtaining proceeds from US Bank.

COUNT 10

Date: November 29, 2012 to December 4, 2012

Defendant(s): POWELSON

Financial Institution(s): US Bank

Description: Presenting to a US Bank for deposit, and without lawful authority, stolen and forged check numbers 118, 119, 121 and 122, in the amounts of \$250.00, \$350.00, \$690.00 and \$340.00, respectively, drawn on the Premier West Bank account of "DZ," and stolen and forged check numbers 1537, 1538, 1539, and 1540, in the amounts of \$225.00, \$235.00, \$293.00 and

\$250.00, respectively, drawn on the South Valley Bank and Trust account of “DZ” and, thereafter, obtaining proceeds from the said banks.

COUNT 11

Date: December 29, 2012

Defendant(s): POWELSON

Financial Institution(s): US BANK

Description: Presenting to US Bank for deposit, and without lawful authority, stolen and forged check number 5734, dated December 29, 2012, drawn on the US Bank account of “JW” and “DW” in the amount of \$550.00 and check number 1030, dated December 29, 2012, drawn on the Peoples Bank account of Elite Collision Repair in the amount of \$400.00 and, thereafter, obtaining proceeds from US Bank.

COUNT 12

Date: January 22, 2013

Defendant(s): POWELSON and STRANGE

Financial Institution(s): US Bank

Description: Presenting to a US Bank for deposit, and without lawful authority, stolen and forged check number 1161, dated January 17, 2013, drawn on the Spirit of Alaska Federal Credit Union account of “JC” in the amount of \$240.00 and, thereafter, obtaining proceeds from US Bank.

COUNT 13

Date: February 1, 2013

Defendant(s): POWELSON

Financial Institution(s): US Bank and Rogue Federal Credit Union

Description: Presenting a fraudulently obtained US Bank Visa credit card in the name of “WR” to Rogue Federal Credit Union for a cash advance and obtaining \$2,100.

COUNT 14

Date: February 8, 2013

Defendant(s): POWELSON

Financial Institution(s): Rogue Federal Credit Union

Description: Presenting a fraudulently obtained American Express Bluebird Card in the name of “SP” to Rogue Federal Credit Union for cash withdrawal and obtaining \$442.00.

COUNT 15

Date: November 29, 2012

Defendant(s): TEDFORD

Financial Institution(s): JP Morgan Chase Bank

Description: Presenting to JP Morgan Chase Bank for cashing, and without lawful authority, stolen and forged check number 6502, dated November 29, 2012, drawn on the JP Morgan Chase Bank account of “SS” and “JB” in the amount of \$400.00.

COUNT 16

Date: January 7, 2013

Defendant(s): TEDFORD

Financial Institution(s): US Bank

Description: Presenting a fraudulently obtained US Bank Visa credit card in the name of “DD” to US Bank for a cash advance and obtaining \$2,800.

COUNT 17

Date: December 2, 2012

Defendant(s): NAVARRO

Financial Institution(s): US Bank

Description: Presenting to a US Bank ATM for deposit, and without lawful authority, stolen and forged check number 6504, dated December 2, 2012, drawn on the JP Morgan Chase Bank account of "SS" and "JB" in the amount of \$200.00 and, thereafter, proceeds were obtained from US Bank.

COUNT 18

Date: October 1, 2012

Defendant(s): MARSHALL

Financial Institution(s): US Bank

Description: Presenting to a US Bank for deposit, and without lawful authority, stolen and forged check number 519, dated October 1, 2012, drawn on the Rogue Federal Credit Union account of "NU" in the amount of \$350.00 and, thereafter, obtaining proceeds from US Bank.

COUNT 19

Date: December 2, 2012

Defendant(s): STRANGE

Financial Institution(s): US Bank

Description: Presenting to US Bank for deposit, and without lawful authority, stolen and forged check number 2782, dated December 1, 2012, drawn on the Rogue Federal Credit Union account of "RG" and "KM" in the amount of \$200.00 and, thereafter, proceeds were obtained from US Bank.

All in violation Title 18, United States Code, Section 1344.

COUNT 20

CONSPIRACY TO COMMIT MAIL FRAUD

Beginning in and about September 2012 and continuing to in and about March 2013, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, did unlawfully and knowingly conspire, confederate and agree with each other and with others known and unknown to the grand jury to commit mail fraud by knowingly execute and attempt to execute a material scheme and artifice to defraud and obtain money and property by means of false and fraudulent pretenses and causing to be delivered by and received from the US Postal Service for purposes of executing the said scheme in violation of Title 18 United States Code, Section 1341.

The Manner and Means of the Scheme

1. Conspirators broke into mail boxes and vehicles of over 800 victims in the Medford, Oregon area to steal personal financial and identification information of the victims such as tax documents, financial instruments, names, dates of birth and social security numbers, to use in unlawfully applying for credit cards and other forms of financial instruments in the victim's name.
2. Conspirators applied for and received financial institution credit cards and American Express Bluebird cards, general purpose fund loaded cards, in the name of various victims based upon the victim's stolen identity information. For purposes of executing the scheme to defraud the financial institutions and American Express, and obtain money and property by false and fraudulent pretense, conspirators knowingly caused the credit cards and Bluebird cards to be

mailed and delivered by the US Postal Service to residential addresses where they or their associates were living. Conspirators received and took possession of the mail containing the credit cards and Bluebird cards at those residences.

3. Conspirators unlawfully used the acquired credit cards in the name of various victims to make purchases and obtain cash advances.

4. Conspirators had the acquired Bluebird cards in the name of various victims loaded with funds through a variety of methods including having stolen and fraudulent checks loaded onto the cards using smart phone photo imagery of the check as a means of depositing the funds and transferring fraudulently obtained funds between other linked Bluebird cards. Conspirators subsequently used the Bluebird cards to make purchases as well as obtain cash withdrawals from financial institutions.

Overt Acts

In furtherance of the conspiracy and in order to effect the objects thereof, one or more of the conspirators committed and caused to be committed one or more of the following acts during the course of the conspiracy, among others:

5. On or about January 7, 2013, conspirator TEDFORD, having caused a US Bank credit card in the name of "DD" to be delivered by mail and received from the US Postal Service, fraudulently used the card to obtain a \$2,800 cash advance from US Bank in Medford, Oregon.

6. On or about February 1, 2013, conspirator POWELSON, having caused a US Bank credit card in the name of "WR" to be delivered by mail and received from the US Postal Service, fraudulently used the card to obtain a \$2,100 cash advance from Rogue Federal credit Union in Medford, Oregon.

7. On or about February 8, 2013, conspirator POWELSON, having caused an American Express Bluebird Card in the name of "SP" to be delivered by mail and received from the US Postal Service, fraudulently used the card to obtain \$442.00 cash from the Rogue Federal Credit Union in Medford, Oregon.

8. During and between January and March 2013, conspirator TEDFORD applied for an American Express Bluebird card and Capital One credit card in the name of "CC" and received them in the mail at his White City, Oregon residence. The Bluebird card in the name of "CC" was then loaded with funds from stolen and fraudulent checks. Conspirator NAVARRO provided conspirator TEDFORD with the personal identifiers of "CC" related to the activation of the Capital One credit card.

All in violation of Title 18, United States Code, Sections 1341 and 1349.

COUNTS 21 THROUGH 28

AGGRAVATED IDENTITY THEFT

On or about the dates listed for each count below, in the District of Oregon, defendants ROBERT LEE POWELSON, EDUARDO NAVARRO, DALLAS LEE TEDFORD, KAYLA ANN STRANGE and LANA LORRAINE MARSHALL, aided and abetted by others known and unknown to the grand jury, knowingly transferred, possessed or used, without lawful authority, a means of identification of another person as alleged in each count below, during and in relation to a federal felony enumerated in 18 U.S.C. § 1028A(c), to wit: bank fraud in violation of Title 18, United States Code, Section 1344:

COUNT 21

Date: November 29, 2012

Defendant: POWELSON

Description: Unlawful use of the JP Morgan Chase Bank account and routing numbers and name and address of victims “SS” and “JB” on a \$243 check during commission of bank fraud as alleged in Count 9.

COUNT 22

Date: February 1, 2013

Defendant(s): POWELSON

Description: Unlawful use of the name of victim “WR” on US Bank Visa credit card for \$2,100 cash advance during the commission of bank fraud as alleged in Count 13.

COUNT 23

Date: February 8, 2013

Defendant(s): POWELSON

Description: Unlawful use and transfer of the name, date of birth and/or social security number of victim “SP” for an American Express Bluebird Card and \$442 cash withdrawal during the commission of bank fraud as alleged in Count 14.

COUNT 24

Date: November 29, 2012

Defendant: TEDFORD

Description: Unlawful use of the JP Morgan Chase Bank account and routing numbers and name and address of victims “SS” and “JB” on a \$400 check during commission of bank fraud as alleged in Count 15.

COUNT 25

Date: January 7, 2013

Defendant(s): TEDFORD

Description: Unlawful use of the name of victim “DD” on US Bank Visa credit card for \$2,800 cash advance during the commission of bank fraud as alleged in Count 16.

COUNT 26

Date: December 2, 2012

Defendant: NAVARRO

Description: Unlawful use of the JP Morgan Chase Bank account and routing numbers and name and address of victims “SS” and “JB” on a \$200 check during commission of bank fraud as alleged in Count 17.

COUNT 27

Date: December 2, 2012

Defendant(s): STRANGE

Description: Unlawful use of the Rogue Federal Credit Union account and routing numbers and name and address of victims “RG” and “KM” on a \$200 check during commission of bank fraud as alleged in Count 19.

COUNT 28

Date: October 1, 2012

Defendant(s): MARSHALL

Description: Unlawful use of the Rogue Federal Credit Union account and routing numbers and name and address of victim “NU” on \$350 check during commission of bank fraud as alleged in Count 18.

All in violation of Title 18, United States Code, Section 1028A(a)(1).

FORFEITURE ALLEGATION

Upon conviction of one or more of the offenses set forth in Counts 7 through 28 of this Superseding Indictment, the defendants to which those specific counts apply, shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(2)(A), any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation(s).

DATED this 2nd day of May, 2013.

S. AMANDA MARSHALL
United States Attorney



BYRON CHATFIELD
Assistant United States Attorney

1st Grand Jury Foreperson