

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

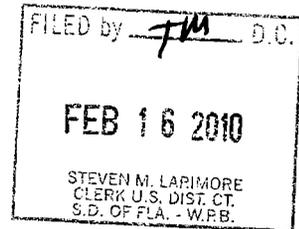
CASE NO. 10-80021-CR-Middlebrooks/Johnson
18 U.S.C. § 1341
18 U.S.C. § 1343

UNITED STATES OF AMERICA

vs.

WILLOUGHBY FARR,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At various times relevant to this Indictment:

1. Nationwide Connections, Inc., ("Nationwide Connections") was a Florida corporation with its principal place of business at 215 Fifth Street, West Palm Beach, Florida. Nationwide Connections was incorporated in or about April 2003, and continued to do business through in or about December 2005. Nationwide Connections purported to be in the business of billing for collect telephone call services.
2. Access One Communications, Inc., ("Access One") was a Florida corporation with its principal place of business at 215 Fifth Street, West Palm Beach, Florida. Access One was incorporated in or about June 2004, and continued to do business through in or about May 2005.

Access One purported to be in the business of billing for collect telephone call services.

3. Connect One Communications, Inc., (“Connect One”) was a Florida corporation with its principal place of business at 215 Fifth Street, West Palm Beach, Florida. Connect One was incorporated in or about April 2005, and continued to do business through in or about August 2005. Connect One purported to be in the business of billing for collect telephone call services.

4. Defendant **WILLOUGHBY FARR** was an undisclosed owner, operator and principal of Nationwide Connections, Access One and Connect One (the “Farr firms”). Because he was in prison for much of the time the Farr firms operated, **FARR** directed them largely through instructions he gave to other people.

COUNTS 1 - 2
Wire Fraud
(18 U.S.C. §§ 1343 and 2)

1. Paragraphs 1 through 4 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From at least as early as April 2003 through in or about December 2005, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendant,

WILLOUGHBY FARR,

did knowingly and with intent to defraud devise, and intend to devise, a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and for the purpose of executing such scheme and artifice to defraud, did knowingly transmit and cause to be transmitted, by means of wire communications in interstate commerce, certain writings, signs, signals, pictures and sounds.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for the defendant to unlawfully enrich himself by obtaining money from consumers and billing aggregators, as defined in Paragraph 4 below, by making materially false representations, and omitting to state and concealing material facts concerning, among other things, telephone services provided to consumers, charges consumers had authorized for such services, and the Farr firms' owners, operators, and directors.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

The manner and means by which the defendant sought to accomplish the object and purpose of the scheme and artifice included, among others, the following:

4. It was the business practice of the Farr firms to collect money from consumers by arranging for charges to be placed upon the consumers' telephone bills. In order to bill consumers, the Farr firms submitted electronic records to "billing aggregators." The billing aggregators were firms that submitted the electronic records to local exchange carriers (also known as "LECs"), such as Verizon and Qwest. The electronic records purported to contain information about telephone calls consumers had placed or accepted for a fee. Because of their status as consumers' local telephone companies, the LECs were able to place those charges upon consumers' monthly telephone bills.

5. Each electronic record, typically referred to as a "call record," contains a string of characters that includes the essential information necessary to create the charge appearing on the consumers' bills. The call records submitted by a legitimate carrier contain information concerning records of calls that were actually made, such as the date, time, length of the call, and originating and terminating telephone numbers. The call records submitted by the Farr firms contained information about telephone calls that had not, in fact, taken place.

6. Certain billing aggregators cancelled their contracts with firms overtly owned and operated by **WILLOUGHBY FARR**, leading **FARR** to disguise his ownership status and otherwise hide the Farr firms' affiliation with their predecessors.

7. To fraudulently induce others to pay money to the Farr firms, **WILLOUGHBY FARR** made, and caused others to make, materially false statements, and **FARR** concealed and omitted to state, and caused others to conceal and omit to state, material facts, including, among others, the following:

Materially False Statements

- a. That records submitted by the Farr firms to billing aggregators reflected charges consumers incurred;
- b. That the Farr firms' charges appearing on consumers' telephone bills reflected charges the consumers had incurred;

Omissions and Concealments of Material Facts

- c. That the Farr firms were owned, operated and directed by an individual – **WILLOUGHBY FARR** – who:
 - 1) was in prison at the time he directed the firms' operations;
 - 2) previously owned and directed firms whose billing agreements were terminated by a billing aggregator due to consumer complaints and failure to provide evidence to support their bills;
 - 3) previously owned and directed firms that had been the subject of fraudulent billing cases by the States of Illinois and North Carolina, and that were the subjects of state court orders banning them from engaging in fraudulent

billing practices; and

- d. That the records submitted by the Farr firms to the billing aggregators were fabricated.

USE OF THE WIRES

8. On or about the dates listed as to each count below, the defendant, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted, by means of wire communications in interstate commerce, certain writings, signs, signals, pictures and sounds, as set forth below:

| <u>COUNT</u> | <u>APPROX. DATE</u> | <u>DESCRIPTION OF WIRE TRANSMISSION</u> |
|---------------------|----------------------------|---|
| 1 | May 4, 2005 | Letter dated May 4, 2005, sent via facsimile transmission from Access One Communications, Inc., in the Southern District of Florida to B.N. in California |
| 2 | August 18, 2005 | Email dated August 18, 2005, from P.T. in Georgia to J.A. in the Southern District of Florida |

In violation of Title 18, United States Code, Sections 1343 and 2.

COUNTS 3 - 8
Mail Fraud
(18 U.S.C. §§ 1341 and 2)

1. Paragraphs 1 through 4 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.
2. From at least as early as April 2003 through in or about December 2005, in Palm Beach County, in the Southern District of Florida, and elsewhere, the defendant,

WILLOUGHBY FARR,

did knowingly and with intent to defraud devise, and intend to devise, a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that they were false and fraudulent when made, and for the purpose of executing such scheme and artifice to defraud, did knowingly cause to be delivered certain mail matter by a private and commercial interstate carrier, according to the directions thereon.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was the purpose of the scheme and artifice for the defendant to unlawfully enrich himself by obtaining money from consumers and billing aggregators, as defined in Paragraph 4 below, by making materially false representations, and omitting to state and concealing material facts concerning, among other things, telephone services provided to consumers, charges consumers had authorized for such services and the Farr firms' owners, operators, and directors.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 7 of the Manner and Means section of Counts 1 - 2 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the scheme and artifice.

USE OF THE MAILS

5. On or about the dates listed as to each count below, the defendant, for the purpose of executing and in furtherance of the aforesaid scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and attempting to do so, did knowingly cause to be delivered by U.S. Mail as specified in each count below the items identified below as to each count:

| <u>COUNT</u> | <u>APPROX. DATE</u> | <u>DESCRIPTION OF MAILING</u> |
|--------------|---------------------|--|
| 3 | May 2005 | Qwest telephone bill dated May 8, 2005, delivered to E.T. |
| 4 | May 2005 | Qwest telephone bill dated May 13, 2005, delivered to N.B. |
| 5 | May 2005 | Bell South telephone bill dated May 16, 2005, delivered to G.T. of Murfreesboro |
| 6 | June 2005 | Qwest telephone bill dated June 1, 2005, delivered to G.C. |
| 7 | June 2005 | Bell South telephone bill dated June 16, 2005, delivered to G.T. of Murfreesboro |
| 8 | November 2005 | Bell South telephone bill dated November 16, 2005, delivered to R.K. |

In violation of Title 18, United States Code, Sections 1341 and 2.

A TRUE BILL

FOR PERSON


 JEFFREY H. SLOMAN
 UNITED STATES ATTORNEY


 EMALYN WEBBER
 ASSISTANT U.S. ATTORNEY


 RICHARD GOLDBERG
 JESSICA GUNDER
 TRIAL ATTORNEYS
 U.S. DEPARTMENT OF JUSTICE