

ANNUAL REPORT

2015



DISTRICT OF CONNECTICUT

UNITED STATES ATTORNEY'S OFFICE

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Message from the U.S. Attorney



I remain deeply grateful to serve as Connecticut's United States Attorney. It is a remarkable experience to work alongside so many dedicated professionals, all devoted to the safety of our communities.

The goal of this Annual Report is to highlight what we do at the United States Attorney's Office on behalf of the residents we serve. The Office, which enforces federal criminal laws in Connecticut and represents the government in civil matters, is comprised of 63 Assistant U.S. Attorneys and approximately 50 staff members at offices in New Haven, Hartford and Bridgeport. The information provided here describes what we do, who does it, the many great agencies we partner with, and how we can be reached. It describes our programs designed to make our communities safer and to assist victims when crime occurs. For example, we formed two task forces, one focused on public corruption and the other on human trafficking, with our federal, state and local partners. We have included contact information for our key program coordinators and federal law enforcement agencies. I hope the information here is useful to you and your families.



A great deal of the information in this report concerns cases that have been fully adjudicated, and either the defendant has been sentenced or — in the case of a civil matter — the parties have agreed to settlement terms. To the extent we mention a few newly charged cases, we do so to highlight the types of cases the Office prosecutes to protect the public safety and reinforce our commitment to certain initiatives. It is worth remembering that, in these instances where we mention a case where the defendant has not been convicted, an indictment is only a charge and is not evidence of guilt. Charges are only allegations, and a defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt.

DEIRDRE M. DALY
United States Attorney

Criminal Division **Introduction**

The Criminal Division prosecutes criminal cases in the District of Connecticut. The Criminal Division is organized into three program-based units: (1) National Security and Major Crimes; (2) Violent Crimes and Narcotics; (3) Financial Fraud and Public Corruption; and the Appellate Unit. Assistant United States Attorneys (AUSAs) in all three units advise federal law enforcement agents on criminal investigations, present matters to the grand jury, try criminal cases before the United States District Court, and represent the United States in criminal appeals before the Second Circuit Court of Appeals. Our priorities include the prosecution of cases involving national security violations, cyber crime, crimes against children, human trafficking, gang violence, narcotics and firearms trafficking, public corruption, investor and securities fraud, and civil rights violations.

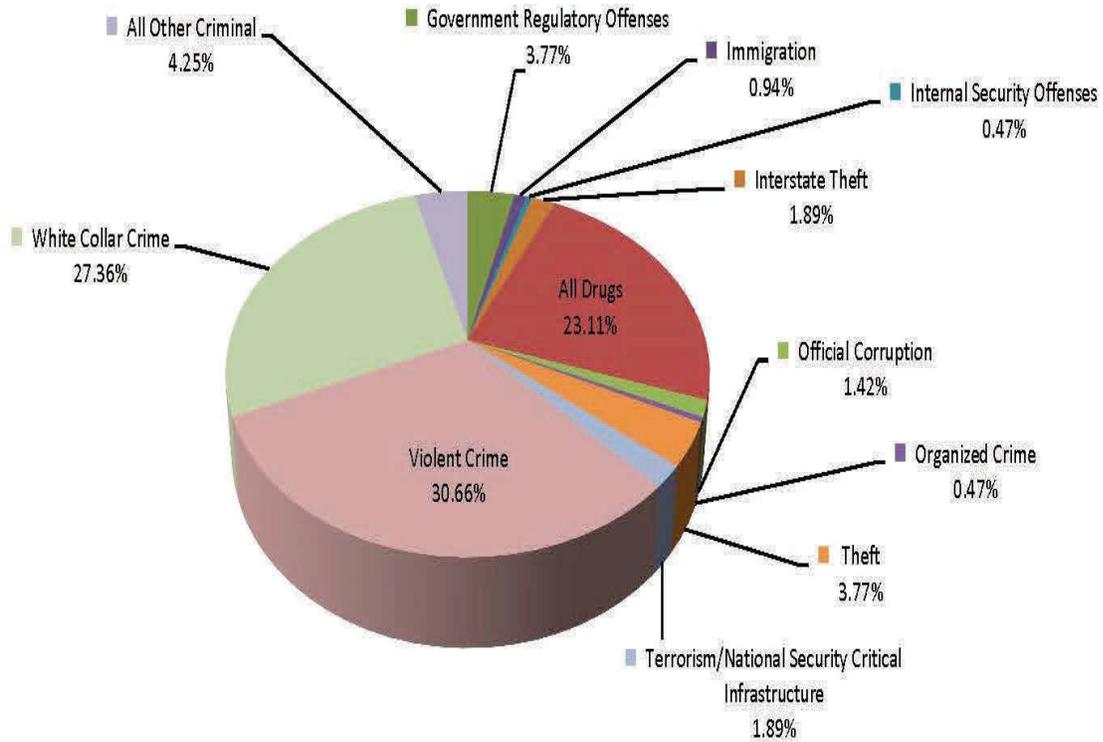
— Contact Information —

**Michael J. Gustafson is the First Assistant United States Attorney.
He can be reached at mike.gustafson@usdoj.gov.**

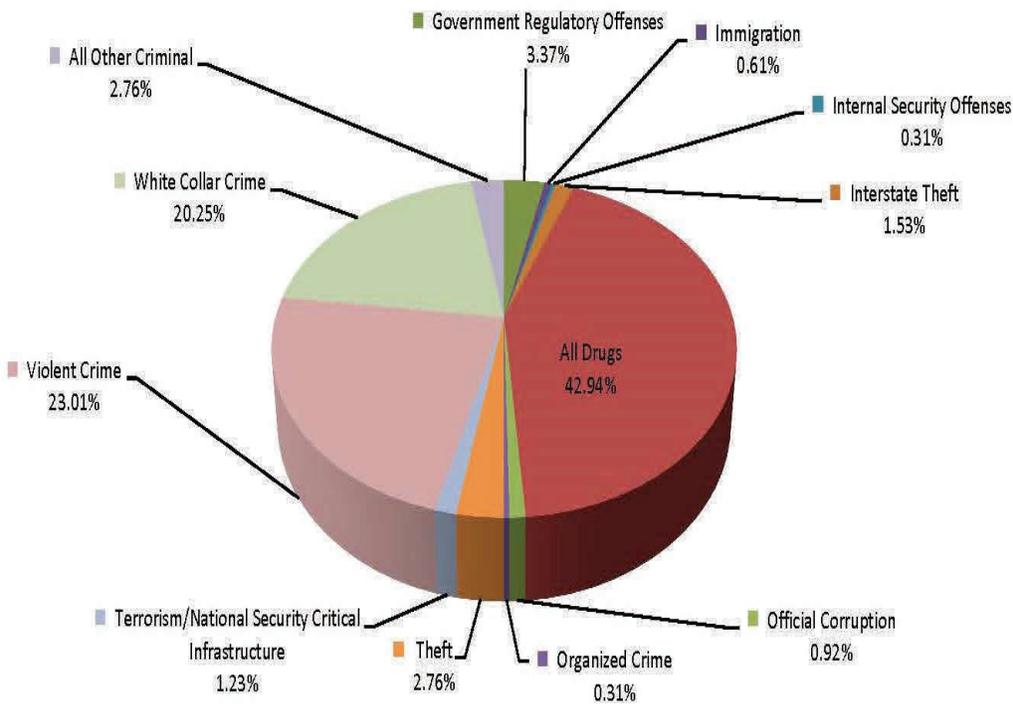
**William J. Nardini is the Chief of the Criminal Division.
He can be reached at william.nardini@usdoj.gov.**

**Tracy L. Dayton is the Executive Assistant United States Attorney.
She can be reached at tracy.dayton@usdoj.gov.**

Criminal Division 2015 (FY) Statistics Cases and Defendants Charged



**Total:
212**

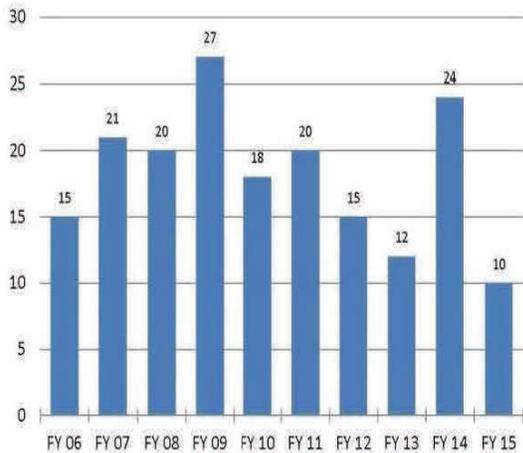


**Total:
326**

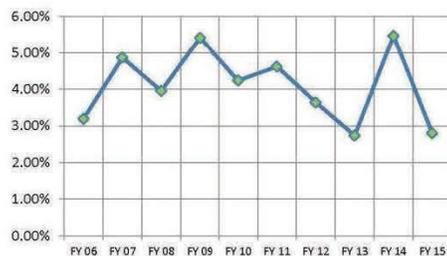
Criminal Division 2006—2015 (FY) Statistics Trials



Defendants Tried

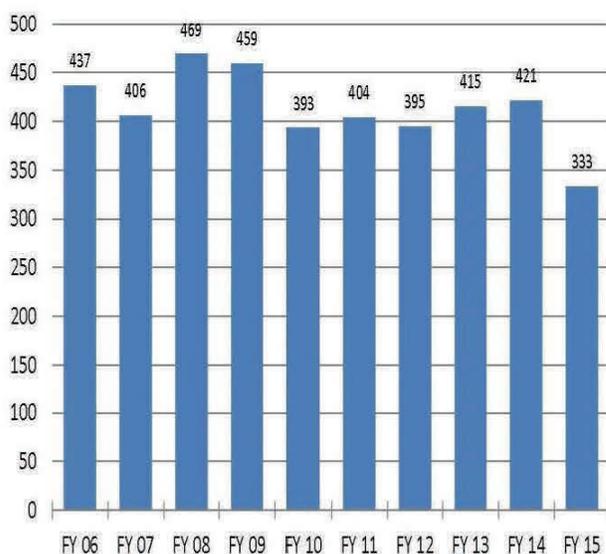


Defendants Disposed of by Trial as a Percent of Total Defendants Convicted

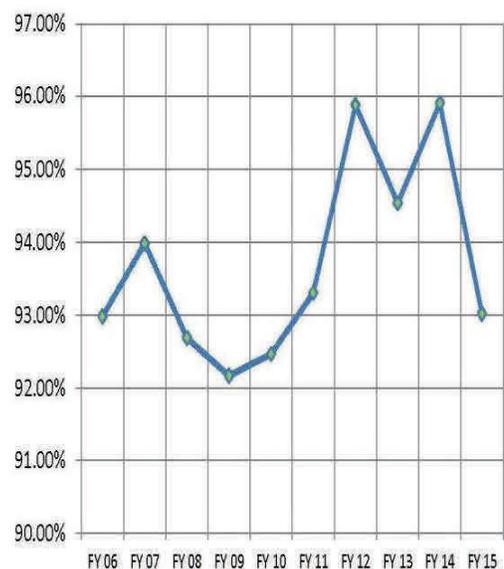


FY 06	3.19%
FY 07	4.86%
FY 08	3.95%
FY 09	5.42%
FY 10	4.24%
FY 11	4.62%
FY 12	3.64%
FY 13	2.73%
FY 14	5.47%
FY 15	2.79%

Defendants Guilty

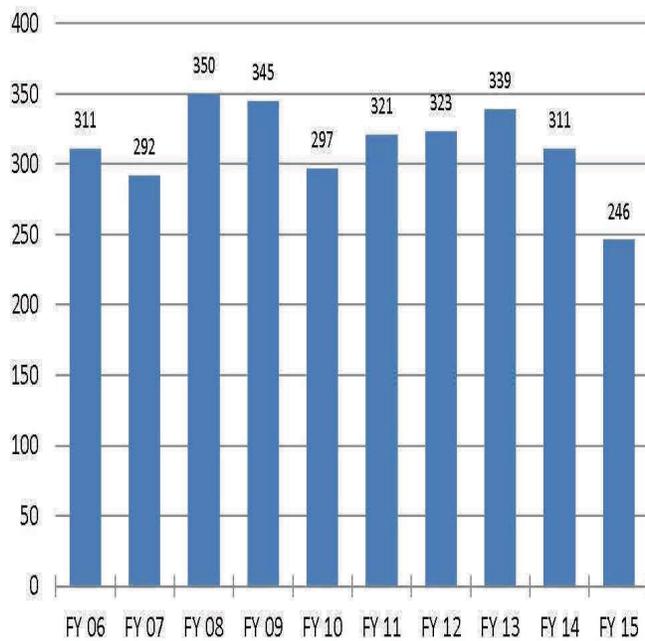


Conviction Rate

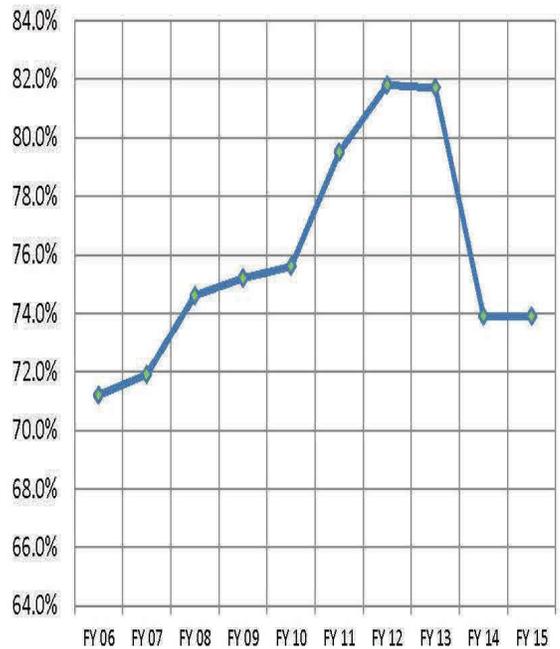


Criminal Division 2006—2015 (FY) Statistics Defendants Sentenced to Prison

**Number of Guilty Defendants
Sentenced to Prison**



**Percentage of Guilty Defendants
Sentenced to Prison**



Criminal Division **National Security and Major Crimes**

National Security and Major Crimes

Raymond F. Miller is the Chief of the National Security and Major Crimes unit (NSMC), and Stephen B. Reynolds and Jacabed Rodriguez-Coss are the Deputy Chiefs. AUSA Reynolds serves as the National Security Coordinator and manages the District's Anti-Terrorism Advisory Council. John Fitzgerald is the Office's Intelligence Specialist and Security Manager. In addition to the prosecutors already named, the NSMC Unit includes paralegals, legal assistants, and other specialists, as well as the following AUSAs: Hal Chen, Nancy Gifford, Anastasia King, Hank Kopel, Doug Morabito, Sarala Nagala, Neeraj Patel, Vanessa Richards, and Deborah Slater.

The NSMC team investigates and prosecutes matters involving national security, civil rights violations, hate crimes, human trafficking, child exploitation, cybercrime, identity theft, international and domestic organized crime, bank robberies, immigration and customs enforcement, government program and defense contractor fraud, and environmental crimes. National Security remains the top priority of both the Department of Justice (DOJ) and the Office. We focus our efforts on the investigation and prosecution of international and domestic terrorism related matters, threatening communications and hoaxes, the export of restricted technology, theft of trade secrets and cyber-intrusions, and cases involving economic espionage and the loss or compromise of classified materials.

Additionally, cybercrime, including both cyber-based attacks on the nation's electronic infrastructure and economic crimes committed using computers are a key Office priority.

On the next several pages are descriptions of a sampling of the cases the NSMC Unit has prosecuted over the past year.

— Contact Information —

Raymond F. Miller: Ray.Miller2@usdoj.gov.

Stephen B. Reynolds: Stephen.Reynolds@usdoj.gov.

Jacabed Rodriguez-Coss: Jacabed.Rodriguez-Coss@usdoj.gov.

National Security and Major Crimes National Security Program

The District of Connecticut's national security program is a multi-pronged approach that includes: (1) the investigation and prosecution of national security matters by its counter-terrorism prosecutors and investigative agencies; (2) an Anti-Terrorism Advisory Council (the ATAC); and (3) a robust anti-terrorism training program.

Keeping Our Community Safe

The Office aggressively investigates and prosecutes international and domestic terrorism-related offenses; terrorist financing offenses, including money laundering and cash smuggling; the unlawful possession or trafficking of explosive, chemical, biological, radiological or nuclear materials; threatening communications and terrorism-related hoaxes; cases involving the export of restricted technology; and cases involving espionage and the loss or compromise of national security information and classified materials.

Our Office works closely with the FBI's Joint Terrorism Task Force, the Department of Homeland Security's Homeland Security Investigations, and other federal, state, and local agencies on national security, counterterrorism and intelligence matters, in order to provide legal and investigative guidance; to assist, as appropriate, in obtaining subpoenas, warrants, court orders, court-authorized electronic surveillance, and other processes to further such investigations; to consult on Foreign Intelligence Surveillance Act, Classified Information Procedures Act, and intelligence equities; and to bring criminal charges when they are appropriate.

The Anti-Terrorism Advisory Council

Our Office also chairs Connecticut's Anti-Terrorism Advisory Council, which includes representatives from approximately 100 different law enforcement agencies. The ATAC program provides training for, and ensures collaboration

between, federal, state and local law enforcement officers on national security matters.

Over the past several years, ATAC training to law enforcement groups has included trainings on biological and radioactive weapons, improvised explosive devices, active-shooter scenarios and the protection of critical infrastructure.

Our Office also partners with the FBI for its Indoor Post-Blast School, an intensive, week-long course taught by expert bomb technicians and federal prosecutors, which has taken place in Connecticut at least annually for the past fourteen years and has hosted, each time, approximately 60 federal, state, and local law enforcement officials, bomb technicians, and other first responders. The training includes intensive instruction on explosive materials; improvised explosive devices; letter and package bombs; large vehicle bombs; suicide bombings; evidence collection; bombing investigations; WMDs; and investigative techniques/post-blast analysis. Various explosive devices are detonated under controlled circumstances, and students must process the scene, collect evidence and try to determine the source of the blast and the type and design of the device used, while interacting with AUSAs to obtain subpoenas, court orders and search warrants to further their investigation.

National Security and Major Crimes **Thefts and Transfers of U.S. Defense Technology**

Man Sentenced to over Eight Years in Prison for Sending Military Technology to Iran

In 2009, Mozaffar Khazaei emailed an individual in Iran documents relating to the Joint Strike Fighter Program. In one email Khazaei stated that the material was “very controlled . . . and I am taking [a] big risk.” Khazaei instructed the individual in Iran that he should “delete everything immediately” after downloading it. Khazaei also sent applications to state-controlled technical universities in Iran explaining that as the “lead engineer” in various projects with U.S. defense contractors, he had learned “key technique[s] that could be transferred to our own industry and universities.” Khazaei stated that he wanted to “move to Iran,” that he was “looking for an opportunity to work in Iran,” and that he was interested in “transferring my skill and knowledge to my nation.”

In November 2013, Khazaei attempted to send a large shipping container to Iran that included thousands of highly sensitive technical manuals, specification sheets, test results, technical drawings and data, and other proprietary material relating to U.S. military jet engines programs, such as the U.S. Air Force’s F35 Joint Strike Fighter, F-22 Raptor, V-22 Osprey, C130J Hercules, and Global Hawk programs. Khazaei had stolen the materials from U.S. defense contractors where he had worked; many documents were prominently labeled with strict export control warnings.

On January 9, 2014, Khazaei was arrested at the Newark Liberty International Airport before boarding a flight to Iran. Searches of his luggage revealed additional documents relating to U.S. military jet engines and \$59,945 in undeclared cash. According to analyses by the U.S. Air Force and victim defense contractors, the technical data that Khazaei stole would have helped Iran “leap forward” 10 years or more in academic and

military turbine engine research and development, and potentially enhanced the development and effectiveness of their weapon systems.

On October 23, 2015, Khazaei was sentenced to 97 months’ imprisonment, three years’ supervised release and a \$50,000 fine.



Man Charged With Attempting To Travel To China With Stolen U.S. Military Program Documents

From approximately August 2008 to May 2014, Yu Long worked as a Senior Engineer/Scientist at a research and development center for a major defense contractor (“Company A”). On August 19, 2014, when Long returned to the U.S. from China through JFK International Airport, U.S. Customs and Border Protection officers searched Long and found him to be in possession of \$10,000 in undeclared U.S. currency, registration documents for a new corporation being set up in China, and a largely completed application for work with a state-controlled aviation and aerospace research center in China. The application materials highlighted Long’s work history and experiences that he claimed to have obtained while employed at Company A, including work on F119 and F135 engines, both of which are employed by U.S. Air Force fighter aircraft.

On November 5, 2014, Long boarded a flight

National Security and Major Crimes **Thefts and Transfers of U.S. Defense Technology**

from Ithaca to Newark Liberty International Airport, with a final destination of China. During Long's layover in Newark, CBP officers inspected his checked baggage and discovered that it contained, among other things, sensitive, proprietary and export controlled documents from another major defense contractor, located outside the state of Connecticut ("Company B"). The documents bore warnings that they contained sensitive, proprietary and export controlled material, which could not be copied or communicated to a third party. Moreover, since 1989, the U.S. has imposed a prohibition upon the export to China of all U.S. defense articles and associated technical data.

On November 7, 2014, the Office, in cooperation with the DOJ's Counterintelligence and Export Control Section, charged Long with transporting, transmitting and transferring in interstate or foreign commerce goods obtained by theft, conversion, or fraud, and with attempting to travel to China with sensitive, proprietary documents used in the development of material for U.S. aircraft. The charge carries a maximum term of imprisonment of 10 years and a fine of up to \$250,000.

Three Chinese Nationals Arrested for Trafficking in Stolen and Counterfeit Military-Grade Semiconductors

In 2012, law enforcement began investigating Jiang Guanghou Yan and a Chinese company known as HK Potential for trafficking in counterfeit semiconductors. In October 2014 and in March 2015, Yan sold a total of 45 counterfeit Intel microprocessors to an undercover agent (UC) who told Yan that the components would be used for a U.S. Navy contract involving submarines.

In July 2015, Yan asked whether the UC could obtain 22 military-grade Xilinx

semiconductors, for which Yan would pay \$37,000 each. After the UC advised Yan that the Xilinx components would be stolen from a U.S. Navy base, Yan offered to provide fake Xilinx components that could be substituted for the stolen components in order to prevent detection of the theft. When asked whether the fake Xilinx components would work, Yan replied that they "look the same" but would not actually function. In November 2015, Yan shipped eight of the fake Xilinx components to the UC.

In December 2015, Yan, Daofu Zhang, and Xianfeng Zuo traveled to the U.S. to take delivery of the Xilinx semiconductors from the UC. All three men were arrested and charged with violating the International Emergency Economic Powers Act, which carries a maximum penalty of 20 years' imprisonment and a \$1 million fine, and receipt of stolen government property, which carries a maximum penalty of 10 years' imprisonment and a \$250,000 fine. Zhang and Yan were also charged with trafficking in counterfeit goods, which carries a maximum penalty of 10 years' imprisonment and a \$2 million fine, and mail fraud, which carries a maximum penalty of 20 years' imprisonment and a \$250,000 fine.

National Security and Major Crimes **Joint Terrorism Task Force**

Citizen of Morocco Sentenced to Two Years in Prison for Fabricating Refugee Application to Remain in U.S.

From January 2014 until his arrest in April 2014, El Mehdi Semlali Fathi, a citizen of Morocco last residing in Bridgeport, repeatedly made statements to third parties about his desire and aspirations to bomb Harvard University in Cambridge, Massachusetts, and the federal building and courthouse in Hartford, Connecticut. Certain of these statements were recorded. During the course of the investigation, law enforcement authorities discovered that Fathi had also engaged in criminal immigration fraud, and they moved quickly to arrest and detain Fathi before he could act on his bomb threat. When the government arrested Fathi on the criminal immigration fraud charges, it did not appear that Fathi had the means to successfully carry out any such bombing.

The investigation nevertheless revealed that, in January 2008, Fathi was admitted to the United States after he obtained a student visa to study at Virginia International University. Fathi's student visa status was terminated by the university after he failed all of his classes during the Fall 2008 semester and did not register for classes in the Spring 2009 semester. After his student visa status was terminated, Fathi failed to leave the U.S.

In December 2010, Fathi was detained in immigration custody as a result of an arrest in Virginia. While in immigration custody, Fathi met an individual who explained refugee relief to him. Fathi then reviewed country reports relating to Morocco and prepared and filed, under penalty of perjury, a false refugee application (I-589) that included events he learned about in the country reports. Fathi falsely claimed that he would be persecuted by the Kingdom of Morocco based on his membership in a particular group and imputed

political opinion, and he falsely claimed that he was arrested twice in 2007 and persecuted by the Moroccan government.

In June 2011, an immigration judge in Virginia released Fathi on bond. Fathi moved to Bridgeport, and his immigration case was transferred to Connecticut.

From 2011 through 2014, while his asylum application and immigration proceedings were pending, Fathi committed perjury on multiple occasions before immigration judges by certifying and/or testifying that all of the information on his I-589 application was accurate.

On July 24, 2014, Fathi waived his right to indictment and pleaded guilty to one count of perjury in an immigration matter. On October 29, 2014, Fathi was sentenced to 24 months of imprisonment for fabricating a refugee application to remain in the U.S. He also agreed to be deported at the conclusion of his prison term.



National Security and Major Crimes Cybercrime

Transnational organized crime networks are increasingly involved in cybercrime, which costs consumers billions of dollars annually, threatens sensitive corporate and government computer networks, and undermines confidence in our financial system. Cybercrime imperils citizens' and businesses' faith in our digital infrastructure, which in turn harms our economy.

While Connecticut might seem safely distant from the dangers of transnational organized crime, that is unfortunately not the case. Law enforcement agencies in Connecticut, including the FBI, the Secret Service, and local police departments, are routinely called upon to investigate computer intrusions perpetrated from overseas, as well as money stolen and sent overseas from online bank accounts of both individuals and businesses located here in Connecticut.

We are often asked by concerned citizens how to avoid becoming victims of computer crime. There is, unfortunately, no easy answer to that question because of the many different types of computer crimes and the ever-increasing sophistication of cyber-criminals. However, our Office has been a national leader in combating cybercrime, including Internet fraud, "phishing" (identity theft), and theft of trade secrets and national security information. In conducting these investigations and prosecutions, we assiduously protect victims' identities (including private companies, schools and charitable organizations) so as to not compound the harm wrought by computer intrusion.

One recent case exemplifies what we can achieve when the public and private sectors work together. A few years ago, a Fortune 500 company notified the FBI in New Haven that it had suffered a significant compromise of its corporate network. The compromise involved a piece of malicious

software known as Coreflood. Coreflood was a "botnet," which is a group of infected computers, typically numbering in the thousands, that are remotely hijacked and used to commit cyber-crimes.

With the help of experts from the victim-company and other computer and network security companies, our Office and the FBI executed a takeover of the Coreflood botnet. We not only stopped criminals, who were operating from overseas, but also remediated, or cleaned, over 95% of the infected computers worldwide.

Our response to Coreflood resulted in the development of a law enforcement model and novel legal strategy for combatting botnets, which has now been replicated in other areas of the country.

The great success in defeating this large-scale criminal enterprise could not have been achieved without two important components. First, the cooperation between law enforcement authorities and private sector experts was invaluable. Second, and most importantly, the willingness of the victim-company to come forward enabled the government to identify and notify thousands of victims, including businesses, hospitals, and local governments, that they, too, had been compromised. Information shared by one victim today can help you detect and defend your networks tomorrow.

National Security and Major Crimes **Protection of Children and Human Trafficking**

Constant Vigilance and Project Safe Childhood: Our Fight Against Child Exploitation

Combatting child exploitation is a top priority of the Office. The myriad dangers facing children today, such as online enticement and commercial sexual exploitation, are frightening and regrettably too prevalent. The threat of sexual predators soliciting children for sexual contact is serious, and the danger of perpetrators who produce, distribute, and possess child pornography is equally disturbing.

Over the last several years, it has become increasingly clear that human trafficking, and particularly the sex trafficking of minors – the cruel victimization of defenseless young girls and boys – is a form of modern day slavery. Despite the best efforts of law enforcement, this criminal activity grows apace with the proliferation of Internet marketplaces where sex with children can be bought and sold. Accordingly, in November, the United States Attorney’s Office, in conjunction with representatives from federal, state and local law enforcement, and social service agencies, announced the formation of the Connecticut Human Trafficking Task Force to combat commercial sexual and labor exploitation in Connecticut.

The Task Force dramatically expands our resources by bringing together a broad group of trained and dedicated law enforcement authorities who meet monthly and work cooperatively across jurisdictional boundaries. Currently, the Task Force is comprised of representatives from HSI, the FBI, the USDOL, the Connecticut State Police and 16 police departments from cities and towns across Connecticut, including Berlin, Bridgeport,

East Hartford, East Windsor, Greenwich, Hamden, Hartford, Milford, Naugatuck, New Haven, Norwalk, Stamford, Stratford, Waterbury, West Haven and Windsor Locks. We are also proud to be working collaboratively with the Department of Children and Families and the International Institute of Connecticut as these organizations provide critical support by identifying victims of these terrible crimes and giving them the support that they so desperately need.

We implore trafficking victims, and anyone who comes in contact with potential victims of trafficking, to call the National Human Trafficking Resource Center Hotline at 888-373-7888. The hotline is run by the Polaris Project under a federal grant. Hotline operators are trained to identify potential trafficking situations, and will immediately refer tips to law enforcement. Individuals can also send an email to NHTRC@traffickingresourcecenter.org.

Trafficking victims may also text “BEFREE” to receive immediate assistance from the National Human Trafficking Resource Center.



Contact Information for Human Trafficking Task Force Coordinators

AUSA David Novick: david.novick@usdoj.gov

AUSA Sarala Nagala: sarala.nagala@usdoj.gov

National Security and Major Crimes **Protection of Children**

New York Man Sentenced to More Than 17 Years for Sex Trafficking of Minors

On January 26, 2015, Edward Thomas was found guilty of conspiracy to commit sex trafficking of a minor and two counts of sex trafficking of a minor.

The evidence at trial established that Thomas was a pimp who operated in New York and Connecticut. In 2012, Thomas enticed a girl that he knew to be 17-years-old (“MV1”) to travel to New York to work as a prostitute. MV1 agreed and traveled to New York with a second girl (“MV2”), who was 16-years-old, using bus tickets that Thomas purchased.

When MV1 and MV2 arrived in New York, Thomas took them to a hotel in Milford, introduced them to his codefendant Kayla Walters and posted prostitution advertisements. Thereafter, MV1 and MV2 saw customers for commercial sex acts at the direction of Thomas. While MV2 escaped through a hotel room window after several hours, MV1 continued to work for Thomas for approximately one month. When MV1 attempted to leave, Thomas forcibly restrained her. On November 8, 2012, the FBI and Milford police rescued MV1 and brought her home.

In July 2013, Thomas again enticed MVI to return to Connecticut. Once again, the FBI and local police rescued MV1 from a hotel in Milford, where Thomas had put her to work prostituting.

On November 2, 2015, Thomas was sentenced to over 17 years’ imprisonment, followed by ten years of supervised.

Kayla Walters, who pleaded guilty to one count of conspiracy to commit sex trafficking of a minor, awaits sentencing.

Man Sentenced to 10 Years for Enticement of Minor He Met at Church

On May 27, 2015, Miguel Torres was sentenced to ten years’ imprisonment, followed by ten years of supervised release for enticing a minor female to send him sexually explicit videos and pictures of herself.

The investigation revealed that Torres met the 14-year old girl at the church they both attended. He offered to mentor her and, after he gave her his cell phone number, they began communicating via text messages. Torres then asked the minor to send him sexually explicit videos and pictures. Torres also sent sexually explicit videos and pictures of himself to the young girl.

Woodstock Man Sentenced to 12 Years for



Child Pornography Offenses

On April 17, 2015, Ryan Harding was sentenced to twelve years’ imprisonment, followed by 15 years of supervised released for receiving and possessing child pornography.

The investigation showed that between July 16, 2013 and October 30, 2013, Harding received images and videos of child pornography that he downloaded from individuals via the Internet using a peer-to-peer file sharing program. Forensic analysis of Harding’s computers and thumb drive revealed more than 600 image files and videos of child pornography. Harding also possessed inappropriate images of a child that he knew.

National Security and Major Crimes **Protection of Children**

Teacher Sentenced to Five Years in Prison for Sexual Exploitation of a Child

In approximately April 2011, Joseph Rajkumar, a science teacher and advisor to the Science Olympiad team at a private school in Farmington, befriended a minor female victim who was a student at the school. Rajkumar pressured the girl to create an anonymous email account. Rajkumar had already created an anonymous email account for his own use, in violation of the school's policy that teachers and students should communicate via email only through a school-sponsored website. Through the email accounts, Rajkumar and the victim frequently engaged in video chats during which Rajkumar, after multiple attempts, convinced the victim to expose her chest to him. Eventually, Rajkumar and the victim began a sexual relationship that lasted several months.

The investigation further revealed that Rajkumar had begun to harass other young girls at the school both in person and through electronic communications. In total, Rajkumar had inappropriate correspondence with at least six victims.

On March 4, 2015, Rajkumar was sentenced to five years' imprisonment, followed by ten years of supervised release.

The Department of Justice's Project Safe Childhood Initiative is aimed at protecting children from sexual abuse and exploitation.

For more information about Project Safe Childhood, please visit www.justice.gov/psc.

To report cases of child exploitation, please visit www.cybertipline.com.

The DOJ's Child Exploitation and Obscenity Section (CEOS) serves an important function in the enforcement of federal laws protecting children from exploitation and prohibiting the distribution of obscenity. To view summaries of the federal laws that pertain to CEOS's subject areas, please visit: www.justice.gov/criminal-ceos/citizens-guide-us-federal-child-exploitation-and-obscenity-laws.

National Security and Major Crimes **Sex Offender Registration and Notification Act**

The Sex Offender Registration and Notification Act (SORNA) provides a comprehensive set of minimum standards for sex offender registration and notification in the United States, and seeks to strengthen the nationwide network of sex offender registration and notification programs. SORNA requires sex offenders to register and keep their registration current in each jurisdiction in which they reside, work, or go to school. The United States Marshals Service coordinates SORNA investigations.

Man Sentenced to Two Years in Prison for Violating Sex Offender Registration Laws

In September 2007, Christopher Agritelly was convicted in Connecticut Superior Court of first degree sexual abuse and was sentenced to 15 years' imprisonment, execution suspended after seven years, followed by 15 years of probation and mandatory lifetime sex offender registration. When Agritelly was released from prison in February 2013, he was informed of his registration obligations under SORNA.

Agritelly initially complied with Connecticut Sex Offender Registry requirements. However, in August 2013, he failed to respond to an address verification request and a subsequent Notice of Violation sent by the Sex Offender Registry Unit. He also failed to report to his state probation officer.

On January 29, 2014, Agritelly was arrested in Tempe, Arizona, where he had failed to register as a sex offender. Agritelly was sentenced to serve a 78-month state prison term for violating his state probation and absconding to Arizona, and a two-year concurrent sentence for possessing a weapon while incarcerated. On August 10, 2015, Agritelly was sentenced to a federal term of two years' imprisonment, followed by eight years of supervised release, for violating federal sex offender registration laws. He will begin serving his federal sentence when he is released from state custody.

Sex Offender Sentenced to Prison for Violating Federal Registration and Notification Law

In 2002, Lester Joy was convicted in New Jersey of sexual assault in the second degree and endangering the welfare of a child in the third degree. Joy was sentenced to three years' imprisonment and lifetime registration as a sex offender. In 2006, Joy was convicted in Suffolk County, New York, of three counts of rape in the third degree, two counts of criminal sexual acts in the third degree and two counts of disseminating indecent material to a minor. He was sentenced to 42 to 84 months' imprisonment and lifetime probation.

On November 30, 2013, when Joy was released from jail, he failed to register as a sex offender or to notify officials of his new address. Accordingly, on May 19, 2015, Joy was sentenced to 27 months of imprisonment for failing to register as a sex offender.



National Security and Major Crimes **Identity Theft & Access Device Fraud**

One characteristic of modern life is our dependence on digital data, namely, passwords and personal identification number (PINS) rather than combination locks or keys, to control access to and protect our computers, financial accounts, ATMs, and other valuable personal identifying data. Unfortunately, with the advent of the digital world, criminals have become more sophisticated and have development means by which to acquire, transfer, and use credit-card and other symbolic data for a wide range of illegal activities that often span state or international boundaries. Identity theft is one of the most pervasive forms of white-collar crime in the United States. Every year, millions of citizens are the victims of identity theft. While this crime takes many forms — from local vehicle break-ins and trash theft, to international Web sites gathering personal data — it invariably leaves victims with the task of repairing the damage to their lives. We take these cases very seriously, and work closely with federal, state and local authorities to prosecute these crimes.

Waterbury Man Sentenced to 12 Years in Prison for Role in Massive Stolen Identity and Tax Refund Scheme

In 2011, Julio Lara Trinidad was arrested in New Jersey for stealing U.S. Treasury tax refund checks from mailboxes. Trinidad was released on bail. Thereafter, between January 2012 and November 2013, Trinidad, together with Jerry De Los Santos Rodriguez and Cesar Penson-Perez, opened at least 59 bank accounts in the names of identity theft victims into which they deposited the stolen U.S. Treasury checks and then quickly withdrew the funds. The scheme resulted in more than \$663,000 in loss to the government.

Between December 2012 and February 2013, one of the accounts was used to purchase six licenses for tax preparation software. The software was then used to file more than 36,000 federal income tax returns, seeking more than \$234 million in federal tax refunds intended to be issued to Trinidad and his co-conspirators. Nearly \$6.8 million in fraudulent refunds were issued before the scheme was identified.

In addition, between July and October 2013, Trinidad and Ramon Mena sold more than \$60,000 in fraudulently-obtained U.S. Treasury checks to an individual working with law enforcement. Trinidad and Mena obtained some of these

checks from Pricilla Brito and Yowandy DeLeon.

Trinidad was convicted of theft of public money and aggravated identity theft. On May 26, 2015, he was sentenced to 12 years' imprisonment.



There is a great deal of information about identity theft crimes, and how to avoid falling victim to them, on the Internet sites of the FBI (<http://www.fbi.gov/scams-safety>), the Federal Trade Commission (<http://www.ftc.gov/bcp/menus/consumer/tech.shtm>), the U.S. Computer Emergency Readiness Team (us-cert.gov/nav/nt01) and the Internet Crime Complaint Center (<http://www.ic3.gov/preventiontips.aspx>).

National Security and Major Crimes **Hoaxes, Threats, Swatting**

Venezuelan Man Who Made Threatening Calls to Newtown Residents is Sentenced

On December 16, 2012, two days after the shooting that claimed 26 lives at Sandy Hook Elementary School in Newtown, Wilfrido A. Cardenas Hoffmann used a voice over IP application on an iPod to make numerous phone calls from his home in Venezuela to Newtown residences. In one of the telephone calls, Cardenas Hoffmann stated: "This is Adam Lanza. I'm gonna [expletive] kill you. You're dead. You're dead. You hear me? You're dead." In another phone call, Cardenas Hoffman stated: "This is Adam Lanza. I'm gonna kill you. You're dead. With my machine gun. You're dead [expletive]."

The investigation revealed that Cardenas Hoffmann made more than 90 calls to approximately 47 telephone numbers of Newtown residents. Not all of the calls were successfully placed and answered.

Cardenas Hoffmann was charged by criminal complaint on May 20, 2013. The complaint remained sealed until Cardenas Hoffmann was arrested on June 21, 2014, in Miami as he transitioned through Miami International Airport en route to Mexico from Venezuela.

Cardenas Hoffman was convicted of making threatening phone calls. On February 12, 2015, he was sentenced to 12 months and one day of imprisonment, followed by three years of supervised release.

Wethersfield Man Sentenced to Prison for Involvement in Multiple Swatting Incidents

On September 10, 2014, Matthew Tollis was arrested for participating in a series of "swatting" incidents that occurred in Connecticut and other states in 2014. Swatting is the making of a hoax call to elicit an emergency response based on the false report of an ongoing critical incident. Incidents typically produce the deployment of SWAT units, bomb squads, and other police units, as well as the evacuation of schools, businesses and residences.

Tollis was a member of a group primarily consisting of Microsoft X-Box gamers who referred to themselves as "TCOD" (TeAM CrucifiX or Die). Tollis and his TCOD associates used the Internet communication service Skype to make hoax threats involving bombs, hostage taking, firearms, and mass murder. Tollis was identified as a participant in at least six of these swatting incidents, including a bomb threat to the University of Connecticut's Admissions Department on April 3, 2014. This hoax call resulted in a three-hour, campus-wide lockdown and required the UConn Police and the Connecticut State Police's Bomb Squad, Emergency Services Unit and SWAT teams to respond.

Tollis also participated in TCOD swatting calls to the Boston Convention and Exhibition Center, Boston University, two high schools in New Jersey, and a high school in Texas.

Tollis was convicted of conspiring to engage in the malicious conveying of a bomb threat hoax. On October 6, 2015, he was sentenced to 12 months and one day of imprisonment, followed by three years of supervised release. Tollis was also ordered to serve 300 hours of community service, and to reimburse the victims and emergency services for the costs of his conduct.

National Security and Major Crimes Bank Robbery

Career Offender Sentenced to More Than 12 Years for Robbing Meriden Bank

On September 22, 2014, Michael Maslar entered the TD Bank on East Main Street in Meriden, approached the teller counter and demanded that bank employees give him cash in \$50 and \$100 denominations. Maslar also stated that he had a gun. Bank employees complied with Maslar's demands and gave him \$5,658. Maslar took the money, placed it inside a plastic bag and fled the bank. He was arrested shortly thereafter by Meriden Police.

Maslar's criminal history includes two prior federal convictions for bank robbery, as well as convictions for involuntary manslaughter and assault. Maslar had just been released from prison in January 2014, and was on federal supervised release at the time of the Meriden bank robbery.

On August 25, 2015, Maslar was convicted of bank robbery. He was sentenced to 151 months' imprisonment, followed by three years of supervised release.



Hartford Man Sentenced to 70 Months in Prison for Armed Robbery of Bank in Windsor

On January 10, 2015, two masked men, one of whom brandished a firearm, entered the First Niagara Bank in Windsor. The two men vaulted the teller counter and ordered one of the employees to open the vault. Once inside the vault, the men ordered the bank employees to the ground and then stole \$81,530. The men also stole money from the teller drawers.

During the robbery, a customer entered the bank. One of the masked men pointed a gun at the customer, ordered him to the ground and told him not to look up. After exiting the bank, the men confronted a second customer who was about to enter the bank. One of the men pointed a gun at the customer and stated "If you say anything, we'll shoot you."

Later the same day, law enforcement obtained a search warrant for Odain Johnson's residence. When they executed the warrant, officers found \$81,946 in cash, most of which was bound by First Niagara Bank wrappers, and a .380 caliber semi-automatic handgun with a fully-loaded magazine.

Both Odain Johnson and his co-conspirator David Johnson were convicted of bank robbery in connection with the armed robbery of First Niagara Bank in Windsor. Odain Johnson also admitted that he committed armed robberies of the Nutmeg State Federal Credit Union in East Windsor on July 21, 2014, and the Nutmeg State Credit Union in Glastonbury on November 7, 2014, stealing \$109,166 and \$84,145, respectively.

On October 27, 2015, Odain Johnson was sentenced to serve 70 months' imprisonment, followed by three years of supervised release.

On February 25, 2016, David Johnson was sentenced to 97 months' imprisonment, followed by three years of supervised release.

National Security and Major Crimes Environmental Crime

Former CEO of New London Manufacturing Company Sentenced for Clean Water Act Violation

The Clean Water Act requires that every company obtain a permit from the Connecticut Department of Energy and Environmental Protection (CT DEEP) before it can discharge industrial wastewater to the public sewage system, commonly known as the publicly owned treatment works (POTW). Companies are also required, among other things, to test and monitor their industrial wastewater monthly to ensure that the chemical levels in the wastewater do not exceed federal and state limitations.

Faria Limited, doing business as Sheffield Pharmaceuticals (Sheffield), has a factory in New London that manufactures a wide range of over-the-counter pharmaceutical creams, ointments and toothpastes. From approximately 1986 to July 2011, Sheffield discharged industrial wastewater from its manufacturing operations to the New London POTW without a permit and in violation of Connecticut's approved pretreatment program. The New London POTW discharges to the Thames River in southeastern Connecticut. Moreover, Sheffield lacked a system to pretreat its industrial wastewater prior to discharge into the New London POTW, performed no regular monitoring of its discharges of industrial wastewater, and submitted no monthly monitoring reports to the CT DEEP.

After becoming the company's president and chief executive officer in April 2003, Thomas Faria learned from his employees that Sheffield was discharging pollutants considered toxic under federal environmental law in its industrial wastewater without the required permit. Faria also learned that in order to obtain a permit from CT DEEP, the company would have to install, at significant expense, a system that would pretreat its

industrial wastewater prior to discharging it to the POTW. Despite his employees' entreaties, Faria chose not to invest the money necessary to bring the company into compliance. Faria continued this illegal course of action even when four environmental consulting firms, which the company had hired, advised him that the discharge of industrial wastewater to the POTW without a pretreatment system and a CT DEEP permit was illegal.

On April 20, 2011, the CT DEEP conducted an unannounced inspection of Sheffield. After finding that the company had no wastewater discharge permits, the CT DEEP inspector issued a Notice of Violation and cited the company for discharging manufacturing and laboratory wastewater without a permit.

On or about May 27, 2011, Faria Limited, LLC submitted a permit application to CT DEEP so that the company could legally discharge industrial wastewater from its New London facility into the New London POTW. By July 2011, the company had installed a wastewater pretreatment system at its factory to pretreat the pollutants contained in its industrial wastewater prior to its discharge to the New London POTW.

Faria was convicted of knowingly violating, or causing to be violated, the Clean Water Act. On February 13, 2015, he was sentenced to three years of probation, ordered to perform 300 hours of community service and to pay a \$30,000 fine. Faria, who had already resigned from the company, agreed to play no further role in the operations or management of Faria Limited.



National Security and Major Crimes

Other Major Cases: Pipe Bombs, Warehouse Burglary

Five Charged After Investigation of July 4th Blast and Homicide

On July 4, 2015, an explosion took place on Wintergreen Avenue in Hamden. Responding law enforcement located a deceased white male, who had been wrapped in plastic garbage bags and bound by rope, in a wooded area close to where the explosion had occurred. An explosive-type device and debris were also located in close proximity to the body. The victim, who had also sustained three apparent gunshot wounds, was subsequently identified as Edward Brooks of West Haven. After law enforcement learned that Brooks had been residing with Christopher Miller on Front Avenue in West Haven, and that Miller and others at the residence were subjects of an ongoing narcotics investigation, investigators executed a state narcotics search and seizure warrant at 59 Front Avenue and seized numerous items, including pipe bomb making materials that were consistent with the materials found at the Wintergreen Avenue explosion scene, approximately 16 grams of crack cocaine, approximately 10.6 grams of methamphetamine, and narcotics packaging material. Investigators also seized a surveillance DVR, which captured video surveillance from eight cameras placed around the residence.

On July 23, 2015, a federal grand jury returned an indictment charging Christopher Miller, Deborah Miller, Natali Martinez, James Bryant, and Maurice Wearing with conspiracy to distribute and to possess with intent to distribute crack cocaine. The indictment also charges Christopher Miller with possession of an explosive by a convicted felon. Certain of the defendants also face pending state charges related to the murder of Edward Brooks and their subsequent efforts to dispose of his body.

Florida Man Sentenced to More than Eight Years for Multimillion Dollar Drug Theft

In early 2010, Amaury Villa, Amed Villa, Yosmany Nunez, and Alexander Marquez conspired to steal pharmaceuticals from the Eli Lilly Company warehouse and storage facility in Enfield. Pursuant to the plan, on the evening of March 13, 2010, Amaury Villa and Amed Villa broke into the warehouse and disabled the alarm system. Amaury Villa, Amed Villa, and Nunez then loaded more than 40 pallets of pharmaceuticals into a tractor trailer that Marquez backed up to the loading dock of the warehouse. The pallets of pharmaceuticals included thousands of boxes Zyprexa, Cymbalta, Prozac, Gemzar, and other medicines, valued between \$50 and \$100 million.

Amaury Villa was convicted of one count of conspiracy, four counts of theft from an interstate shipment, and one count of interstate transportation of stolen property. On April 10, 2015, he was sentenced to 98 months' imprisonment, followed by three years of supervised release. He was also ordered to pay \$60,994,213 in restitution.

On May 2, 2014 Amed Villa pleaded guilty to conspiracy and theft charges related to the Enfield burglary and also admitted his participation in multimillion dollar warehouse burglaries in Illinois, Virginia, Florida, and Kentucky. He awaits sentencing.

On February 4, 2015, Nunez was sentenced to 75 months of imprisonment, followed by three years of supervised release.

Marquez and Rafael Lopez, the latter of whom aided and abetted the theft, were previously sentenced to 12 months and one day imprisonment, followed by three years of supervised release and six months of home confinement, followed by two years of probation, respectively.

National Security and Major Crimes **Government Programs Fraud**

Social Security Fraud

Social Security benefits are essential to the economic well-being of millions of Americans. Benefits are paid to about 90% of American citizens aged 65 or older, and serve as the major source of income for 64% of Social Security beneficiaries. In fact, SSA serves as a lifeline to many needy Americans who would be unable to survive without payments from one or more benefits programs. However, because of the sheer numbers of claimants seeking benefits from one or more SSA benefits programs, some fraud in the system is unavoidable. We have prosecuted many cases of disability fraud, retirement fraud, theft of government property, and/or Social Security number misuse.

Hamden Woman Sentenced to Prison for Stealing \$160,457 in Social Security Benefits

On April 6, 2015, Sandra Kimbro was sentenced to six months of imprisonment, followed by three years of supervised release for stealing her deceased mother's Social Security benefits for nearly 30 years.

Kimbro's mother, a Social Security benefits recipient, died in 1984. At the time of her death, Kimbro and her mother had a jointly-held bank account into which the mother's monthly Social Security benefits were deposited. Between April 1984 and February 2014, Kimbro illegally obtained \$160,457 in Social Security benefits that had been deposited into the account for her mother's use.

Through the years, as she withdrew money from the bank account, Kimbro described to bank employees how she was providing care to her mother.

Milford Man Sentenced to Prison for Stealing \$292K in Deceased Mother's SSA Benefits

On March 25, 2015, William E. Chase was sentenced to six months of imprisonment, followed by three years of supervised release, for stealing his deceased mother's Social Security benefits for more than 25 years.

At the time of his mother's death in 1988, Chase was a co-signor on the checking account into which his mother's monthly Social Security benefits were directly deposited. However, Chase failed to notify SSA of her death. Instead, between 1998 and 2014, Chase retained \$307,396 in benefits that were deposited into the account and spent more than \$292,000 of the money.



National Security and Major Crimes Government Programs Fraud

Food Stamp Fraud

The U.S. Department of Agriculture's Food and Nutrition Service administers the federal Food Stamp Program, which is known as the Supplemental Nutrition and Assistance Program (SNAP). SNAP recipients purchase eligible food items at retail food stores through the use of an EBT card, which is similar to an ATM card. SNAP benefits may be accepted by authorized retailers only in exchange for eligible items. Items such as alcoholic beverages, cigarettes, paper goods and soaps are not eligible for purchase with Food Stamp benefits, and it is a violation of the rules and regulations governing the food stamp program to allow benefits to be used to purchase ineligible items. SNAP benefits may not lawfully be exchanged for cash under any circumstances. The program is designed so that the total amount of each purchase is electronically transferred to the retailer's designated bank account.



Bridgeport Grocery Store Operator Who Illegally Redeemed Food Stamp Benefits is Sentenced

Khalid Aboutayeb operated the M&J Deil Market, a grocery and convenience store located at 988 State Street in Bridgeport.

Between approximately December 2011 and February 2013, Aboutayeb and his sister, Jamilia Aboutayeb, unlawfully exchanged customers' food stamp benefits for ineligible items and cash at the M&J Deli Market. The investigation revealed that more than \$285,000 in illegal SNAP benefits were redeemed at the store.

Aboutayeb was convicted of unlawful use of food stamp benefits. On June 30, 2015

Aboutayeb was sentenced to three weeks of imprisonment, three months of home confinement, and three years of supervised release. Aboutayeb was also ordered to pay \$199,505 in restitution.

On January 8, 2015, Jamilia Aboutayeb pleaded guilty to unlawful use of food stamp benefits. She was sentenced on May 14, 2015 to time served, six months of home confinement with electronic monitoring, and three years of supervised release.

National Security and Major Crimes **Theft, Embezzlement & Fraud**

The Connecticut Financial Crimes Task Force is a multi-agency task force founded in 2009 by the United States Secret Service in partnership with the United States Postal Inspection Service and other federal agencies. This task force consists of both federal and local law enforcement agents/officers tasked with detecting, preventing, and investigating financial crimes to include bank fraud, credit card fraud, money laundering, and others. Through the relationships established with all levels of law enforcement and the financial industry, the Connecticut Financial Crimes Task Force pursues cases with significant community and economic impact and those involving local, multi-district and transnational organized criminal groups.

Woodbridge Man Sentenced to 51 Months for Stealing More than \$1 Million from Milford Company

Giovanni “John” Masucci operated a financial consulting business in North Haven. As part of his business, he provided financial consulting services to a company located in Milford and had access to the company’s checkbooks and financial ledgers. From approximately September 2011 to February 2014, Masucci defrauded the Milford company by diverting company funds to his own bank account. He also wrote checks from the company’s bank account to pay his personal credit card bills and the credit card bills of a personal acquaintance. Masucci created false entries in the corporate check ledger that indicated the checks were written for legitimate business purposes, and he typically forged the signature of the authorized company representative on the checks. In an effort to conceal his crime, Masucci took the company’s check book.

The investigation revealed that Masucci used the stolen funds for domestic and international travel, lodging, and to make purchases at several high-end retailers.

Masucci was convicted of wire fraud. On April 14, 2015, Masucci was sentenced to 51 months of imprisonment, followed by three years of supervised release. He was also ordered to pay approximately \$1.16 million in restitution.

Bridgeport Man Sentenced for Stolen Check Scheme

Throughout 2013 and 2014, Dayquan Jackson and others stole mail from residences in Fairfield County to obtain either blank checks or credit card “convenience checks.” Jackson and others then used some of the stolen checks to purchase cars, motorcycles, and all-terrain vehicles listed for sale on the Internet from unsuspecting victims in surrounding states. Some of the stolen checks also were provided to “runners,” who deposited the checks into their bank accounts. Jackson and others then withdrew the funds from the accounts.

Jackson was convicted of operating a mail fraud and bank fraud scheme. On March 30, 2015, Jackson was sentenced to 55 months of imprisonment, followed by three years of supervised release. Jackson was also ordered to pay approximately \$84,242 in restitution.



National Security and Major Crimes **Theft, Embezzlement & Fraud**

Former Connecticut Resident Who Operated Investment Schemes Sentenced to 27 Months

Joseph Morris and two other individuals formed a company in October 2011 to develop business opportunities in Iraq. The company's initial focus was on establishing a pizza restaurant at the U.S. Consulate compound in Erbil, Iraq, and establishing a business to distribute and install specialty window film on vehicles and at hotels, residences, and government buildings, which would protect windows and windshields from blast and breakage, and provide heat retention, ultra-violet shielding, and privacy. Morris was the company's in-country manager in Iraq.

Morris made numerous fraudulent representations to his co-founders regarding the restaurant and the window film business, knowing that the representations would be communicated to potential investors to induce them to invest in the company. For instance, Morris falsely claimed that a lease had been signed to establish a pizzeria on the U.S. consulate compound in Erbil, that renovations were underway, and that progress was being made toward opening the restaurant. Morris also falsely represented that the company had an exclusive arrangement with a specialty window film manufacturer to distribute and install the window film in all of Iraq. Based on these misrepresentations, Morris caused approximately a dozen individuals, most of whom were U.S. military veterans, to invest approximately \$175,000 in the company, which Morris then diverted for his personal use.

The scheme was revealed in the spring of 2012 when one of the co-founders discovered that the company did not have a lease or agreement to open and operate a pizza restaurant at the U.S. consulate compound in Erbil and that the company did not have an exclusive arrangement with a window film manufacturer to distribute and install

specialty window film in Iraq.

Morris was convicted of wire fraud. On November 24, 2015, he was sentenced to 27 months of imprisonment, followed by three years of supervised release. Morris was also ordered to pay \$205,849 in restitution.

Gallery Owner Sentenced for Selling Fraudulent Artwork

David J. Crespo was an art dealer who operated the Brandon Gallery in Madison, CT. Over the course of several years, Crespo defrauded customers by falsely representing that artwork he sold were original pieces by Pablo Picasso and original signed lithographs by Marc Chagall. Crespo forged numerous documents to "authenticate" the provenances of the forgeries.

In January 2010, Crespo met with an undercover FBI agent at Brandon Gallery. Crespo and the agent discussed a lithograph known as "The Presentation of Chloe," which Crespo represented was an "original lithograph" that was part of a limited edition collection made from "stone plates." The agent agreed to purchase the purported lithograph for \$2,000.

In May 2010, Crespo shipped the purported lithograph along with a "Certificate of Authenticity," which valued the piece at \$12,750 "for insurance purposes," stated that piece was "hand signed by Chagall in crayon after the artist personally examined this particular example," and represented that "[t]his work came from the collection of Richard Riskin, a longtime friend of the artist."

Crespo was convicted of selling fraudulent artwork. On January 16, 2015, he was sentenced to 57 months of imprisonment, followed by three years of supervised release.

National Security and Major Crimes Extortion

New York Man Sentenced to 35 Months in Prison for Role in Extortion Scheme

Between approximately September 2010 and December 2011, Edward Memoli conspired with Joseph Casolo to extort money from a small business owner in Fairfield County by impersonating organized crime figures. During the scheme, Casolo threatened the victim in person, by telephone and by text message, using multiple personas and repeatedly stating or implying that if the victim failed to make the extortion payments, the victim, the victim's spouse, and the victim's daughter would be harmed with violence. Casolo enlisted the assistance of Memoli, who identified himself as "Lorenzo," the organized crime family's "enforcer," and who made at least 20 threatening calls from a restricted telephone number to the victim at Casolo's direction. Memoli specifically threatened to cause the business owner's daughter, who was pregnant, to have a miscarriage if the extortion payments were not made.

The investigation revealed that the victim made more than \$200,000 in cash payments to Casolo as a result of these threats. Casolo shared a portion of these funds with Memoli.

Casolo and Memoli also targeted another Fairfield County resident for extortion. Posing as "Lorenzo," Memoli made calls to the victim's cellular telephone and the victim's place of work during which Memoli made veiled threats to the victim's wife and two children.

Law enforcement learned of Casolo and Memoli only after information regarding their

extortion scheme came to light on a court-authorized wiretap investigating genuine organized crime activity in Fairfield County.

Memoli was convicted after trial of one count of conspiracy to obstruct interstate commerce by extortion and one count of aiding and abetting the obstruction of interstate commerce by extortion. On May 5, 2015, he was sentenced

to 35 months' imprisonment, followed by two years of supervised release. Memoli was also ordered to pay \$26,000 in restitution to the victim of his scheme.

Casolo was previously convicted by guilty plea of one count of extortion and sentenced

to 57 months' imprisonment.



National Security and Major Crimes **Tax Offenses**

Owner of Mystic Pizza Sentenced to Federal Prison for Tax Evasion and Structuring Cash Transactions

John Zelepos is the sole owner of Mystic Pizza, LLC, a Schedule C Retail restaurant business in Mystic, Connecticut. From 2006 to 2010, Zelepos diverted approximately \$567,435 in cash from Mystic Pizza's gross receipts, approximately \$330,005 of which was deposited into personal bank accounts upon which he and his wife were signatories, as well as into passbook savings accounts in the names of each of his three minor children. During the same period, Zelepos caused Mystic Pizza to pay a total of \$162,168 to two "no-show" employees who performed no work for the restaurant. He then deducted the wages as expenses on his tax return's Schedule C for Mystic Pizza. Zelepos failed to disclose to his tax return preparer receipt of the diverted cash and the two no-show employees.

Zelepos also intentionally structured financial transactions to avoid having the bank file Currency Transaction Reports (CTR). Federal law requires all financial institutions to file a CTR for currency transactions that exceed \$10,000. To evade the filing of a CTR, individuals will often structure their currency transactions so that no single transaction exceeds \$10,000. Even if the deposited funds are derived from a legitimate means, financial transactions conducted in this manner are still in violation of federal criminal law.

Between January 2010 and January 2011, Zelepos engaged in 61 suspect currency transactions, depositing a total of \$522,658 into the business account, his personal account, his and his wife's personal bank account, and his three children's bank accounts in amounts ranging from \$3,000 to \$9,998. The cash deposits were made on sequential days, or multiple cash deposits were

made on the same day. Zelepos knew the bank was required to issue a report for a currency transaction in excess of \$10,000 and by conducting his financial transactions in amounts less than \$10,000 he intended to evade the transaction reporting requirements.

Zelepos was convicted of tax evasion and structuring cash transactions. On August 24, 2015, he was sentenced to 12 months and one day of imprisonment to be followed by three years of supervised release.



National Security and Major Crimes Tax Offenses

Woodbridge Attorney Sentenced to Prison for Failing to Pay Nearly \$400k in Federal Income Taxes

From 2005 to 2010, Jerry Gruenbaum, an attorney, failed to report approximately \$1,310,100 in taxable income on his federal tax returns. For the 2005, 2006 and 2007 tax years, Gruenbaum filed tax returns that he knew significantly understated his actual taxable income, and for the 2008, 2009 and 2010 tax years, he failed to file any tax returns. Through this scheme, Gruenbaum failed to pay \$394,226 in additional tax due.

Gruenbaum also took steps to make it difficult for the IRS to determine his true income, including calculating the gross receipt figures for one of his businesses by reviewing just one of a number of the business's bank accounts that he knew had reportable income. He also utilized corporate bank accounts to pay his personal expenses, and received compensation for services rendered from at least three different corporations in the form of stock shares and salaries, which he failed to report as income on his tax returns.

Gruenbaum was convicted of two counts of filing a false federal tax return. On January 23, 2015, he was sentenced to six months of imprisonment to be followed by one year of supervised release. Gruenbaum was also ordered to pay approximately \$877,646 in back taxes, penalties and interest.

Shelton Tax Preparer Sentenced to Three Years for Preparing and Filing False Tax Returns

Bellarmin Namegabe operated a tax preparation business based in Shelton. During an investigation it was revealed that Namegabe falsely reported expenses, deductions and credits on numerous clients' tax returns without his clients' knowledge or consent. The false returns included fabricated Schedule As, Schedule Cs, numbers of dependents, fuel tax credits and other items.

As part of an undercover operation, an agent dropped off his Form W-2 at Namegabe's business, provided his name and some identifying information, such as his Social Security Number, and left. With the information provided, the undercover agent was only entitled to a refund of \$632. Approximately two weeks later, the undercover agent's tax return was posted to the IRS database. The return was prepared falsely and generated a refund of \$3,235.

On August 2, 2015, Namegabe was convicted of one count of aiding and assisting the filing of a false tax return. He was sentenced to 36 months' imprisonment to be followed by one year of supervised release. Namegabe was also ordered to pay back taxes, penalties and interest related to the false tax returns he prepared. The tax loss attributed to those false returns is approximately \$240,196.

National Security and Major Crimes **Enforcement of Civil Rights**

Former Bridgeport Police Officers Sentenced to Prison for Using Unreasonable Force During Arrest

On May 20, 2011, Bridgeport Police officers Elson Morales and Joseph Lawlor engaged in a high speed chase of a van driven by an individual who was suspected of having a firearm and had failed to stop at a traffic stop. After a further foot pursuit in Beardsley Park in Bridgeport, the individual was apprehended by Morales who used his department-issued Taser to subdue the individual. Despite the fact that the individual was on the ground and effectively incapacitated by the initial use of the Taser, Morales deployed the Taser a second time and Lawlor kicked the individual several times.

On June 10, 2014, Morales and Lawlor each pleaded guilty to one count of deprivation of rights under color of law. On February 5, 2015, Morales and Lawlor were each sentenced to three months' imprisonment to be followed by six months of supervised release.

Man Who Falsely Reported Police Brutality to FBI is Sentenced to Prison

On May 18, 2013, Derby Police officers arrested Edward Minerly on an outstanding probation violation warrant. On May 31, 2013, Minerly called the New Haven FBI to complain about the arresting officers. Specifically, Minerly claimed that the officers had, upon placing him in a holding cell, taunted him, subjected him to flashing lights and tipped him backwards out of his wheelchair. Minerly also alleged that the officers kicked him in the head, arms, and upper body.

On June 6, 2013, an FBI agent interviewed Minerly in person. Minerly made allegations similar to those made on May 31, 2013, but added that the officers pulled him out of his wheelchair, threw him into a wall, flashed the lights on and off, and kicked him in the head.

Minerly pleaded guilty on November 18, 2014, admitting that the statements he made to the FBI alleging physical abuse by members of the Derby Police Department were false. On May 7, 2015, Minerly was sentenced to eight months' imprisonment to be followed by three years of supervised release.

CIVIL RIGHTS

Intake: Raymond Miller, Ray.Miller2@usdoj.gov.

Civil Rights Coordinators:

-Criminal: Anastasia King, Anastasia.King@usdoj.gov.

-Civil: Ndidi Moses, Ndidi.Moses@usdoj.gov.

National Security and Major Crimes

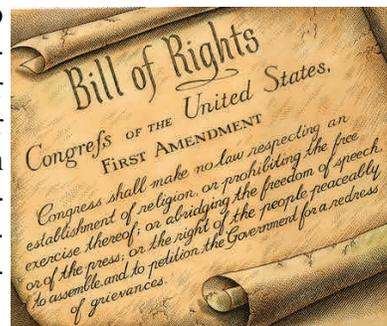
Hate Crimes

Protecting Civil Liberties

As we aggressively pursue the investigation and prosecution of national security matters, we are also committed to reconciling the demands of security with the important goals of fairness, openness and tolerance in our society. Our nation is strengthened by the diversity of our people, and by the ability of disparate communities to come together, in spite of differences, to share the common values on which our country was founded.

While government has an important role, we also view our communities and community institutions as key partners in our counter-terrorism efforts. Accordingly, in conducting national security cases, this Office and our law enforcement partners rely on the support, cooperation and trust of the communities we serve and protect to work together to combat national security threats.

To that end, our Office and the FBI engage in extensive outreach efforts with many different communities to improve our ability to perform our duties in a manner consistent with civil liberties, diversity and a commitment to freedom.



The Department of Justice and the U.S. Attorney's Office in Connecticut are committed to fighting threats to our national security and keeping our communities safe, while protecting and safeguarding civil liberties guaranteed under our Constitution.

Arrest of Defendant for Shooting at the Meriden Mosque

On December 17, 2015, Ted Hakey, Jr. was arrested on a federal criminal complaint charging him with intentionally damaging the Baitul Aman Mosque in Meriden.

As alleged in the criminal complaint, in the early morning hours of November 14, 2015, shortly after learning of the terrorist attacks in Paris, Hakey, who lived next door to the Mosque, used his high powered rifle to fire several rounds at the Mosque. Four bullets hit the mosque, with three penetrating the building. Thankfully, no one was inside the mosque at the time of the shooting and no one was injured during the incident.

The charge of intentionally damaging religious property through use of a dangerous weapon carries a maximum term of imprisonment of 20 years and a fine of up to \$250,000. Hakey has pleaded guilty and is awaiting sentencing.

Criminal Division **Violent Crimes and Narcotics Unit**

Violent Crimes and Narcotics

S. David Vatti is the Chief of the Violent Crimes and Narcotics Unit (VCN), and Robert Spector and Brian Leaming are the Deputy Chiefs. AUSA Spector also serves as the coordinator of the District's Organized Crime and Drug Enforcement Task Force (OCDETF) and AUSA Leaming serves as the coordinator of the Project Safe Neighborhoods program. In addition to the prosecutors already named, the VCN unit includes paralegals, legal assistants, and other specialists, as well as the following AUSAs: Amy Brown, Patrick Caruso, Patricia Stolfi Collins, Gordon Hall, Rahul Kale, Tony Kaplan, Jennifer Laraia, Peter Markle, Alina Reynolds, Mike Runowicz, Geoff Stone, and Gabe Vidoni.

The prosecution of federal offenses involving violence, including gang- and drug-related murders and assaults, Hobbs Act robberies, kidnappings, firearms offenses, and attacks on federal officers, is a priority in the District. To that end, we seek to coordinate the enforcement efforts of federal, state, and local law enforcement with the efforts of community outreach groups to counter criminal gun use, particularly gun use by violent criminal gangs. Additionally, much of the work in the VCN unit involves long-term investigations against the leaders of violent criminal organizations and street gangs responsible for the majority of the District's violence. Such investigations often employ covert investigatory tactics, such as the use of undercover agents, wiretaps, and physical and electronic surveillance, to develop racketeering cases.

The VCN unit also enforces federal laws relating to narcotics trafficking. OCEDETF prosecutors and other task force members focus on investigations directed against high-level national and international trafficking cartels, as well as local gangs and distributors that support the business of these cartels.

On the next several pages are descriptions of a sampling of the cases the VCN Unit has prosecuted over the past year.

— Contact Information —

S. David Vatti: Dave.Vatti@usdoj.gov.

Robert M. Spector: Robert.Spector@usdoj.gov.

Brian P. Leaming: Brian.Leaming@usdoj.gov.

Violent Crimes and Narcotics **Opioids, Synthetic Drugs & Prescription Pills**

Our Office, together with the DEA and local police departments, are working to combat the tragic opioid epidemic that is plaguing Connecticut and much of the country. In 2015 in our State alone, 444 people died from opioid overdoses. We are prioritizing the investigations of these overdoses in order to identify the source and makeup of the drugs involved – and to take these drugs off the streets and out of the hands of vulnerable users. Frequently, these deaths are caused by the ingestion of heroin with particularly high purity levels and/or Fentanyl, an opioid medication that can be as much as fifty times more potent than heroin. This is a very serious public health issue and we will continue to prioritize the prosecution of individuals who traffic narcotics that pose significant public safety concerns.

Doctor Sentenced to Seven Years for Illegally Prescribing Narcotics and Defrauding Government Programs

Dr. John Katsetos practiced medicine for more than 20 years, most recently out of offices located in Stamford and Milford. During an investigation, it was revealed that Katsetos failed to perform even rudimentary examinations of patients to justify the controlled substances he prescribed. Moreover, he had been warned by a doctor and several pharmacists, some of whom stopped filling his prescriptions, that he should stop prescribing oxycodone and other narcotic pain medications to certain patients who showed obvious signs of addiction. Katsetos ignored the warnings and continued to prescribe controlled substances to these patients well outside of the scope of accepted medical practice.

The investigation further revealed that Katsetos's conduct created opioid addictions in dozens of patients and led to the overdose death of a New York woman. In addition, Katsetos supplied others with a vast quantity of prescription pills that they illegally distributed.

From November 2011 to October 2013, Katsetos authorized more than two million dosage units of Schedule II, III, and IV controlled substances to more than 2000 patients. This placed him as the eighth highest prescriber of such controlled substances in Connecticut – a list that in-

cludes hospitals. He was the highest-ranked general practitioner on the list. Katsetos also saw multiple patients at once and billed Medicare and Medicaid for individual visits for each of those patients.

Katsetos was convicted of conspiracy to distribute and to possess with intent to distribute narcotics and of health care fraud. On November 4, 2015, he was sentenced to seven years' imprisonment to be followed by three years of supervised release. Katsetos was also ordered to pay \$497,789 in restitution and to forfeit \$550,000, which represents the value of his medical practice.

Waterbury Man Sentenced to Five years for Distributing "Date Rape" Drug

From March 2011 to October 2013, Hatem Salem ordered gallons of GBL (Gamma-Butyrolactone), Ketamine and other controlled substances from China, Pakistan and other locations. Salem then converted the GBL to GHB (Gamma Hydroxybutyrate), which is commonly known as the "date rape drug," and sold it, along with "Molly," cocaine, Adderall, and other controlled substances to fellow body builders and to nightclub and bar patrons at various locations in Connecticut and New Jersey.

Salem was convicted of unlawful importation of a listed chemical with intent to manufacture a controlled substance. On November 16, 2015, he

Violent Crimes and Narcotics

Opioids, Synthetic Drugs & Prescription Pills

was sentenced to 60 months of imprisonment to be followed by three years of supervised release. Salem was also ordered to perform 120 hours of community service.

Former Wesleyan Students Admit Distributing Synthetic Drug That Caused Multiple Overdoses

In approximately November 2013, Eric Lonergan, a student at Wesleyan in Middletown, Connecticut, began selling a substance he alternately referred to as “Molly” and ecstasy (MDMA) to fellow students. Lonergan regularly sold Molly from his dorm room, charging approximately \$20 per .1 gram or \$200 per gram. Lonergan also counseled students on how to ingest Molly and other psychedelic drugs. At one point in 2014, after the administration at Wesleyan sent out a campus-wide communication warning of the dangers of ingesting controlled substances like Molly, Lonergan distributed a pamphlet instructing students on the use of psychedelic drugs.

In September 2014, Lonergan was the source of Molly for several students who were planning a “rolling” party at Wesleyan, which is a party where guests ingest Molly. He provided several grams of a substance he represented to be MDMA, in bulk, and another student then distributed it to students in .1 gram capsules. Several students became ill, some seriously, after ingesting the substance Lonergan provided. Two of these students were transported to the hospital. After these overdoses, Lonergan sent electronic communications to several students assuring them that the substance he provided to them was indeed MDMA. One of the students who became ill at the party saved one of the capsules she had purchased and turned it over to the Middletown Police. A lab test on the contents of that capsule revealed that it did not contain MDMA,

but contained two other controlled substances: AB Fubinaca, a Schedule I controlled substance, and 6-MAPB, an analogue of MDMA.

In approximately September 2014, Zachary Kramer, who was also a student at Wesleyan, began purchasing Molly, which he believed to be ecstasy, in bulk quantities from Lonergan. Kramer repackaged the drugs and sold them in smaller quantities to other students at Wesleyan.

By December 2014, Kramer had become the primary supplier of MDMA at Wesleyan. Kramer typically sold MDMA in .1 gram quantities for \$20 each or he would sell it in larger quantities at a discount, depending on the customer.

In January 2015, Kramer purchased approximately 45 grams of MDMA from Lonergan, which he divided into five and ten gram bags and distributed to other students. Kramer knew that those students planned to repackage the MDMA into .1 gram capsules and sell the capsules to other Wesleyan students.

On February 21, 2015, 11 individuals, including 10 Wesleyan students, overdosed on the purported MDMA. Two of the students were in critical condition, and one of the students had to be revived after his heart stopped. All of these students obtained the drugs from dealers who Kramer had supplied.

On November 12, 2015, and November 30, 2015, respectively, Kramer and Lonergan pleaded guilty to conspiracy to distribute and to possess with intent to distribute narcotics. Both await sentencing at which time they will be facing up to 20 years’ imprisonment, three years of supervised release and a maximum fine of \$1 million.

Violent Crimes and Narcotics

Operation Red Side — Gang Activity

In January 2014, law enforcement began to investigate the members and associates of the Red Side Guerilla Brims (RSGB), a set of the Bloods street gang based in New Haven, who were engaged in narcotics trafficking and related acts of violence, including murder, attempted murder, assault and armed robbery. In addition to distributing crack cocaine and other narcotics in and around New Haven, the investigation indicated that members and associates of the RSGB, under the direction of one of its alleged leaders, Jeffrey Benton, transported crack cocaine and heroin to Bangor, Maine, and sold the drugs in Bangor and its surrounding communities. The RSGB also traded narcotics for firearms, brought the firearms back to New Haven and distributed them to gang members.

On September 30, 2015, a federal grand jury returned a 34-count indictment charging Benton, Keith Young, Robert Short, Trevor Murphy, Robert Harris and Christopher Graham with murder, racketeering, firearms trafficking, narcotics trafficking and money laundering. Luis Padilla, Rodrigo Ramirez, Miles Price, Kavon Rogers, and Harry Anderson have also been charged with related offenses in separate indictments.

With respect to the violent crimes, the charges include the following:

- On February 23, 2011, Benton and Padilla conspired to murder an individual.
- On April 20, 2011, Benton, Padilla and others, including Ramirez and Price, murdered Kevin Lee while attempting to steal marijuana from Lee.
- On June 24, 2011, Benton, Young, Padilla and Rogers murdered Donnell Allick.
- On September 19, 2011, Young and Short murdered Darrick Cooper.
- On October 21, 2011, Benton and Anderson conspired to murder an individual.
- On December 23, 2011, Murphy murdered Joseph Zargo.
- On March 20, 2012, Benton and another individual, who has since been murdered, murdered Donald Bolden.
- On December 23, 2014, Harris and Graham used a firearm to assault an individual.

In addition, Benton, Short, Murphy, Harris, Graham, Price, and Anderson are charged with firearms offenses; Harris, Graham, and Price with narcotics offenses; and Benton and Young with money laundering offenses related to wire transfers of narcotics trafficking proceeds from Maine to Connecticut.

Each defendant charged with murder faces a mandatory term of life imprisonment or death if the government seeks the death penalty.

Several of the RSGB members and associates have already pleaded guilty to various offense, including:

- On May 6, 2015, Rogers pleaded guilty to possession of a firearm by a previously convicted felon.
- On June 16, 2015, Ramirez pleaded guilty to racketeering and admitted his involvement in the murder of Kevin Lee and in a conspiracy to distribute crack cocaine in Maine.
- On July 30, 2015, Willie Garvin pleaded guilty in the District of Connecticut to possession of a firearm by a previously convicted felon, conspiracy to interfere with commerce by robbery, and discharging a firearm in furtherance of a crime of violence in relation to the shooting of an individual on December 22, 2011. Garvin also agreed to have his Maine

Violent Crimes and Narcotics

Operation Red Side — Gang Activity

case transferred to Connecticut and pleaded guilty to conspiracy to distribute crack cocaine and conspiracy to violate federal firearms laws.

- On September 8, 2015, Delton Pyles pleaded guilty to attempted assault with a dangerous weapon in aid of racketeering, brandishing a firearm in furtherance of a crime of violence, and conspiracy to distribute 28 grams or more of crack cocaine.
- On September 29, 2015, Padilla pleaded guilty to engaging in a pattern of racketeering activity, murder in aid of racketeering, and possession of a firearm by a previously convicted felon. In addition, Padilla admitted his involvement in the murders of Derrick Suggs, Kevin Lee and Donnell Allick, and the attempted murders of two others. Padilla also admitted his involvement in a home invasion robbery in New Haven in May 2012 and in the trafficking of narcotics in Connecticut and Maine.

An instrumental component of the investigation has been the work of the Connecticut State Crime Laboratory in utilizing the National Integrated Ballistic Information Network (NIBIN) to analyze ballistics evidence and to link crimes to recovered firearms utilizing the ballistics evidence. NIBIN is an ATF-administered digital ballistics imaging system that aids law enforcement agencies in their investigations by capturing images of shell casings to link violent crimes involving firearms, and subsequently identify firearms users or “trigger pullers.” NIBIN-users are able to acquire digital images of the unique markings made on fired ammunition recovered from a crime scene or test-fired from a gun recovered by law enforcement, and then quickly compare those images against earlier NIBIN entries. If a potential match emerges, firearm examiners compare

the original evidence with a microscope to confirm the match or “hit.”

Leader of Grape Street Crips Sentenced to More Than 15 Years

In approximately March 2011, law enforcement began investigating Donald Ogman, who was identified as the leader of the Grape Street Crips. The investigation revealed that Ogman typically purchased bulk quantities of cocaine from different sources of supply, processed the cocaine into crack cocaine, and then distributed the drug to gang members and other individuals in New Haven.

Between March and September 2011, investigators made approximately 75 controlled purchases of crack cocaine from Ogman and other members and associates of the Grape Street Crips. In addition, court-authorized wiretaps intercepted numerous conversations between Grape Street Crips members discussing narcotics trafficking and other gang-related activity, including possible retaliation against members of the rival Bloods gang and the acquisition of firearms.

Ogman was convicted of conspiracy to distribute and to possess with intent to distribute narcotics. On March 10, 2015, he was sentenced to 188 months of imprisonment to be followed by five years of supervised release.

In total, eighteen individuals were charged and pleaded guilty as a result of this investigation.

Violent Crimes and Narcotics

Narcotics Trafficking

Milford Man Sentenced to 65 Months in Prison for Distributing Heroin that Led to an Overdose Death

From November 2013 to April 2014, Ryan Russow obtained heroin from a source in New Haven and then distributed the drug from his residence to customers. On March 12, 2014, Russow sold a number of bags of heroin, that were stamped “Much Better,” to R.P. Later that day, R.P. was found deceased at his residence in Milford. In R.P.’s room, law enforcement officers located two empty bags of heroin stamped “Much Better” and two full bags bearing the same stamp. The full bags contained heroin with a purity level of approximately 76 percent. The Connecticut Office of the Chief Medical Examiner concluded that R.P. died of heroin toxicity.

On March 19, 2014, law enforcement executed a search warrant at Russow’s residence and seized more than \$19,000 in cash, a digital scale and drug packaging materials.

Russow was convicted of conspiracy to possess with intent to distribute heroin. On March 2, 2015, he was sentenced to 65 months’ imprisonment to be followed by three years of supervised release.

West Hell Gang Members Sentenced to Lengthy Prison Terms for Drug Trafficking

In late 2012, law enforcement began investigating members of the West Hell street gang for narcotics trafficking and gang-related violent activity. The investigation, which included the use of court-authorized wiretaps, controlled purchases of narcotics and physical surveillance, identified Melkuan Scott as the leader of the West Hell street gang who, along with his associates, including Gregory Thomas and Tyshawn McDade, distributed crack cocaine in the Westland Street area of Hartford.

Thomas and McDade were intercepted over wiretaps engaging in drug-related conversations and, between May 2013 and November 2013, investigators made 17 controlled purchases of crack directly from Thomas.

25 individuals were eventually charged as a result of the investigation. Scott and 22 other defendants pleaded guilty to various offenses. One defendant was shot and killed while his case was pending.

McDade was convicted after trial of conspiracy to distribute and to possess with intent to distribute narcotics. On August 12, 2015, he was sentenced to 11 years’ imprisonment followed by five years of supervised release. Thomas, who has prior convictions for shooting two people in 2009, was convicted of conspiracy to distribute and to possess with intent to distribute narcotics. On October 20, 2015, he was sentenced to ten years’ imprisonment to be followed by five years of supervised release. Scott awaits sentencing.

Violent Crimes and Narcotics

Narcotics Trafficking

Career Criminal Sentenced to More Than 13 Years for Trafficking Crack Cocaine

From approximately March 2013 to March 2015, Anthony Sabato conspired with Miguel Joel Roman and others to distribute crack cocaine and prescription pills. During the investigation of this matter, an undercover officer purchased crack from Sabato and Roman on numerous occasions and also negotiated the sale of a firearm.

Sabato and Roman were arrested on March 24, 2015, after they sold approximately two ounces of crack to the undercover officer in exchange for \$4,000. A search of Sabato's residence on that date revealed crack cocaine, powder cocaine, two digital drug scales, narcotics paraphernalia and approximately 10 mobile phones.

Sabato was convicted of conspiracy to distribute and to possess with intent to distribute narcotics. This was Sabato's 36th criminal convictions. Sabato's prior offenses include federal convictions for firearms trafficking, organized crime related offenses, and fraud. Sabato has also sustained numerous state convictions, including for assault, larceny, burglary and narcotics trafficking.

In addition to noting Sabato's lengthy criminal history, the district court made a finding, after a lengthy sentencing hearing, that Sabato supplied the firearm that was used in the murder of Darien Police Officer Kenneth Bateman in May 31, 1981.

Accordingly, on November 18, 2015, the court sentenced Sabato to 165 months of imprisonment to be followed by five years of supervised release.

Roman was also convicted of conspiracy to distribute and to possess with intent to distribute narcotics. On February 9, 2016, the court sentenced him to 48 months' imprisonment to be followed by four years of supervised release.

Bridgeport Man Sentenced to 17 Years for Heading Drug Trafficking Ring

In January 2012, law enforcement began an investigation into narcotics trafficking and violent criminal activity in and around the Trumbull Gardens housing complex in Bridgeport. The investigation, which included the use of court-authorized wiretaps and controlled purchases of narcotics, revealed that Ronell Hanks headed an organization that sold heroin, cocaine and crack cocaine 24-hours a day, seven days a week.

On December 18, 2013, a federal grand jury returned an indictment charging Hanks and 13 other individuals with narcotics and firearms trafficking offenses. During the arrest operation, investigators seized approximately one kilogram of heroin, one-half kilogram of crack cocaine, approximately \$100,000 in cash, three luxury vehicles, diamond-encrusted jewelry, nine firearms, and more than 200 rounds of ammunition. The firearms included a KelTec EC372 assault-style firearm and ammunition that Hanks had provided to a minor.

Hanks was convicted of conspiracy to distribute and to possess with intent to distribute narcotics. On February 26, 2015, he was sentenced to 17 years' imprisonment to be followed by five years of supervised release. Hanks was also ordered to forfeit three vehicles, approximately \$80,000 in jewelry and \$72,000 in cash.

Violent Crimes and Narcotics

Operation Samson

In March 2014, the Bureau of Alcohol, Tobacco, Firearms and Explosives launched “Operation Samson.” Samson was a multi-layered initiative utilizing intelligence-led policing to determine where to place law enforcement resources in order to have the greatest positive impact. As part of the initiative, which targeted violent criminals and illegal firearm possession and trafficking in Bridgeport and New Haven, approximately 40 ATF special agents from across the country were deployed with New Haven and Bridgeport Police. During Samson, law enforcement personnel conducted approximately 425 operations, which included undercover meetings, controlled purchases of firearms and narcotics, and the execution of search and arrest warrants. Several other federal, state and local law enforcement agencies provided invaluable assistance as investigations expanded into other cities and towns in Connecticut and across state lines.

On June 25, 2014, law enforcement officials announced that the four-month joint initiative resulted in the seizure of more than 73 illegal firearms and the prosecution of approximately 154 individuals on federal or state charges.

An instrumental component of Operation Samson was the work of the Connecticut State Crime Laboratory in utilizing the National Integrated Ballistic Information Network (NIBIN) to analyze ballistics evidence. Specifically, during the investigation, 42 NIBIN matches linked 104 crimes involving the unlawful discharge of firearms that occurred in Bridgeport, New Haven and surrounding areas. NIBIN linked these unlawful discharges to robberies, aggravated assaults, and homicides. Importantly, the links have provided law enforcement with timely, actionable leads to assist in identifying serial shooters and violent criminal organizations (See Operation Red Side). For example, one firearm recovered during

Operation Samson was linked to a previously unsolved homicide and five additional shooting investigations.

As a result of Operation Samson, numerous individuals have been sentenced to lengthy prison terms in connection with the commission and attempted commission of narcotics trafficking, firearms trafficking, and violent offenses.

New Haven Men Sentenced to Prison for Roles in Drug Robbery Scheme

In early March 2014, an undercover agent (UC) and a confidential informant (CI) made several controlled purchases of suspected crack cocaine from Donald Gaines. During their contact, the CI asked Gaines if he knew anyone who would be interested in committing a drug robbery. Gaines said he did, and introduced the CI and the UC to Harold Harrington as a gang member who ran a robbery crew that would be willing to commit the robbery.

When the UC met Harrington, he explained that he wanted to hire someone to commit a home invasion robbery of a drug organization’s “stash house” in order to steal six to eight kilograms of cocaine. Harrington agreed to participate and helped plan the robbery, which would include the use of firearms. The UC and Harrington agreed to split the cocaine taken during the robbery and also promised Gaines that they would give him one kilogram as payment for introducing them to one another.

On the day of the proposed robbery, Harrington arrived at the meeting location with Louis Toler. After Toler, Harrington, and the UC had a detailed discussion about how the robbery was going to be carried out, Toler and Harrington were arrested. A subsequent search of Toler’s car revealed a loaded firearm.

Violent Crimes and Narcotics **Operation Samson**

Later that day, Gaines arranged to pick up his share of the robbery proceeds from the CI. When Gaines arrived in the area and observed police surveillance, he fled at a high rate of speed. After a short chase, Gaines crashed his car, attempted to flee on foot and was apprehended.

All three defendants were convicted of charges related to the conspiracy to interfere with commerce by robbery. On November 3, 2015, Harrington was sentenced to 72 months of imprisonment, followed by three years of supervised release. On November 4, 2015, Toler was sentenced to 77 months of imprisonment, followed by three years of supervised release. And on November 6, 2015, Gaines was sentenced to 60 months of imprisonment, followed by three years of supervised release.

Waterbury Men Who Robbed Undercover Agent Sentenced

On June 3, 2014, a confidential informant and an undercover agent (UC) traveled to Waterbury to conduct a controlled purchase of narcotics from two individuals known at that time only as "Orlando" and "Cali," but later identified as Kevin Rodriguez and Calrissian Smith, respectively.

Rodriguez got into a car with the UC purportedly to conduct the sale of narcotics. Instead, Rodriguez pointed a gun at the UC, "racked" the gun thereby readying it to fire, and demanded that the UC give him all of his money. The UC handed Rodriguez his wallet, which contained \$1,300 in pre-marked currency that was going to be used to buy the drugs.

Rodriguez then got out of the UC's car and

into a car that Smith was driving. Smith and Rodriguez then fled at a high rate of speed.

Rodriguez was apprehended in Waterbury on June 5, 2014. When arrested, Rodriguez had several of the marked bills that he had stolen from the UC in his possession. Smith was apprehended in Virginia on June 13, 2014.

Rodriguez was convicted of use of a firearm during a crime of violence. On July 2, 2015, he was sentenced to 84 months' imprisonment, followed by five years of supervised release. Smith was convicted of attempted distribution of narcotics. On July 14, 2015, he was sentenced to 70 months of imprisonment, followed by four years of supervised release.



Violent Crimes and Narcotics

Operation Samson

Bridgeport Men Sentenced to Prison for Roles in Drug Robbery Scheme

In March 2014, law enforcement began investigating Carlos “Camby” Colon and Carlos “Joel” Colon, who were known narcotics and firearm traffickers in Bridgeport. Joel Colon had also advised an individual who, unbeknownst to Colon, was cooperating with the police, that he was interested in making money by robbing drug dealers.

During the investigation, a confidential informant introduced an undercover agent to the Colons explaining that he (the UC) worked for a group of large-scale drug traffickers. The UC advised the Colons that the individuals for whom he worked had failed to pay him as promised. The UC stated that he therefore wanted to hire someone to rob the group’s stash house, in which, the UC stated, there were approximately 15 kilograms of cocaine. The UC agreed to evenly split the cocaine stolen during the robbery with the Colons.

The Colons recruited five other individuals to assist in the robbery. Thereafter, on April 11, 2014, the Colons, Nelson Diaz, Humberto Soto, Markus Mendez, Trevor Pierce, and Hiram Mojica gathered at a location in Stamford from which they planned to follow the UC to the stash house to conduct the robbery. All seven were arrested at that time. A search of the car that Diaz, Pierce, and Mojica drove to the location revealed a loaded .40 caliber pistol, black gloves, and two rolls of duct tape that Diaz had recently purchased. A search of the car that Soto and Mendez drove to the location revealed a loaded 9mm pistol. Notably, in recorded conversation prior to the robbery, Soto had advised all of the participants that they must be dressed in black, wear gloves, and leave behind their cellular telephones. He also suggested that they create fictitious tattoos so as to frustrate identification by the victims. Finally, Soto

instructed that the participants must shoot anyone in the stash house who brandished a weapon.

All seven defendants were convicted of conspiring to interfere with commerce by robbery and use of a firearm in furtherance of a crime of violence.

- On June 17, 2015, Soto was sentenced to 84 months’ imprisonment, followed by five years of supervised release.
- On August 25, 2015, Diaz was sentenced to 108 months’ imprisonment, followed by five years of supervised release.
- On September 1, 2015, Joel Colon was sentenced to 90 months’ imprisonment, followed by five years of supervised release.
- On September 18, 2015, Pierce was sentenced to 72 months’ imprisonment, followed by five years of supervised release.
- On October 15, 2015, Mendez was sentenced to 36 months’ imprisonment, followed by three years of supervised release.
- On October 26, 2015, Carlos Colon was sentenced to 90 months’ imprisonment, followed by five years of supervised release.
- On November 3, 2015, Mojica was sentenced to 36 months’ imprisonment, followed by five years of supervised release.

Violent Crimes and Narcotics **Kidnapping, Home Invasion, Robbery**

Several Individuals Sentenced in Connection with a Series of Home Invasion Robberies and a Kidnapping

In March 2013, law enforcement began investigating a narcotics trafficking organization that maintained a series of drug distribution locations, known as trap houses, in Danbury, out of which members of the organization sold crack and heroin. During the investigation, law enforcement learned that Marlon Patterson and Michael Spears, the individuals who headed the drug trafficking ring, had organized and committed at least three armed home invasion robberies of marijuana dealers. Each of the robberies occurred in substantially the same manner. That is, a group of armed and masked men would break into the victim's home in the middle of the night. At the time of all three robberies, the victims were in their homes with their mothers and their young children. The perpetrators would then pistol-whip the victims and demand money and drugs. During one of the robberies, the victim was so severely beaten that he had to be transported to the hospital for treatment.

In addition to the robberies, the investigation revealed that Patterson and Paul Whitehurst used force to collect drug debts. For instance, in May 2013, Patterson and Whitehurst abducted an individual who owed a \$100 debt for drugs he obtained from Whitehurst. Whitehurst physically and verbally assaulted the victim, pushed the victim into a reservoir, and threw rocks at his head. Whitehurst then forced the victim to consume an entire liter of vodka in approximately 15 minutes until the victim lost consciousness. The victim, still unconscious, was then bound and locked in a bathroom in one of the organization's trap houses and kept there overnight. The next day, the victim was forced to work off his debt by selling heroin to customers. Ten individuals were charged with offenses ranging from interference

with commerce by robbery, kidnapping, and use of a firearm during a violent crime, to narcotics trafficking. All have pleaded guilty.

- On January 23, 2015, Scott Myrie was sentenced to 84 months' imprisonment, followed by three years of supervised release, for his role in two robberies.
- On March 20, 2015, Whitehurst was sentenced to four years' imprisonment, followed by five years of supervised release, for his role in the kidnapping.
- On July 22, 2015, Robert Cherry was sentenced to 66 months' imprisonment, followed by three years of supervised release, for his role in a robbery.
- On September 3, 2015, Casey Kershaw was sentenced to 36 months' imprisonment, followed by three years of supervised release, for her role of a robbery.

Several defendants, including Patterson and Spears, await sentencing.

Pennsylvania Man Sentenced to More Than 14 Years for Kidnapping, Jewelry Store Robbery

At approximately 9:00 p.m. on April 11, 2013, William Davis, Jeffrey Houston, Kasam Hennix, and Christopher Gay, all of whom were wearing masks and gloves and two of whom were armed with handguns, broke into an apartment in Meriden, Connecticut, bound four victims with duct tape and covered their heads with pillowcases, towels and jackets. Davis, Houston and Hennix, then forced two of the victims into one of the victim's cars and drove them to Lenox Jewelers in Fairfield, where the two victims worked. Gay remained behind to stand guard over the remaining two victims at the apartment.

At the store, the perpetrators stole jewelry,

Violent Crimes and Narcotics **Kidnapping, Home Invasion, Robbery**

watches and loose diamonds with a total replacement value of more than \$3 million. They then fled in a getaway car driven by Timothy Forbes, leaving the two victims bound inside the store.

Davis, Houston, Forbes, and Hennix were arrested in Pennsylvania and Gay was arrested in New York. Subsequent searches of their various residences revealed over \$125,000 in cash; numerous Rolex, Breitling and similarly expensive watches; multiple pieces of diamond jewelry; and a large quantity of crack cocaine. Several of the watches and items of jewelry were determined to have been stolen from Lenox Jewelers and two jewelry stores in Pennsylvania that were robbed in December 2012 and January 2013.

Davis, Houston, Hennix, and Gay have each been convicted of interference with commerce by robbery.

On April 17, 2015, Davis was sentenced to 176 months of imprisonment, followed by five years of supervised release.

On January 27, 2016, Gay was sentenced to 100 months of imprisonment, followed by five years of supervised release.

On February 8, 2016, Hennix was sentenced to 171 months of imprisonment, followed by five years of supervised release. The defendants were jointly ordered to pay approximately \$3.1 million in restitution.

Houston is pending sentencing and Forbes is pending trial.

Detroit Man Sentenced to Four Years for Smash-and-Grab Jewelry Store Robbery

On November 26, 2014, three men, armed with hammers, entered Sidney Thomas Jewelers in the Stamford Town Center Mall during regular business hours and used the hammers to smash open a jewelry display case. The men removed more than \$250,000 worth of Rolex watches and then fled with security guards in pursuit. One of the men, Richard Mathew Bailey, was apprehended inside the mall while fleeing.

During the investigation, it was determined that Brian Moore helped organize the robbery by soliciting others to participate in the crime and by partially funding the commission of the offense. He also drove his accomplices from Detroit to Stamford to carry out the robbery, and picked them up after the robbery in order to return to Detroit.

Moore was convicted of interfering with commerce by robbery. On November 23, 2015, he was sentenced to 48 months of imprisonment, followed by three years of supervised release. Bailey and a third defendant, Dajuhn Griffin, have pleaded guilty to the same charge and await sentencing.



Violent Crimes and Narcotics **Firearms Offenses**

Man Who Stole 111 Firearms from Smith & Wesson Factory Sentenced

On November 8, 2012, Elliot Perez, a truck driver for Pace Motor Lines, picked up five boxes of firearms from the Smith & Wesson manufacturing plant in Springfield, Massachusetts, that Perez was scheduled to transport to the trucking company's distribution center in Stratford. At the same time, Perez stole three additional boxes from the manufacturing plant that contained a total of 111 firearms.

Perez drove all of the firearms to Connecticut. He delivered five boxes to the distribution center and then he and his co-defendant, Michael Murphy, sold the firearms contained in the other three boxes. Several of the stolen firearms were later recovered in connection with criminal investigations, including two recovered during the arrest of Ronell Hanks (described above), one that was used in a murder in Bridgeport and one that was used in a shooting at a Hartford night club.

Perez was convicted of conspiracy to possess and sell stolen firearms, possession of firearms by a convicted felon, and making a false statement to a federal law enforcement officer. On October 27, 2015, he was sentenced to 210 months' imprisonment, followed by three years of supervised release. Murphy was convicted of conspiracy to possess and sell stolen firearms and one count of possession of firearms by a convicted felon. On October 30, 2015, he was sentenced to 120 months' imprisonment, followed by three years of supervised release.

Bridgeport Man Involved in Drive-By Shooting Sentenced to Six Years

On May 5, 2014, Bridgeport Police responded to a report of shots fired in front of a house on Shelton Street. When officers arrived at the location, they found several 7.62x39 ammunition cas-



ings at the scene. Witness reports and an analysis of surveillance cameras in the area revealed that the gunfire came from a red Ford Fusion.

Thereafter, law enforcement located the red Ford Fusion on Willow Street. Officers stopped the car and questioned the driver, Rashad Dancy. During a subsequent search of the vehicle and Dancy's residence, officers recovered a spent 7.62x39 rifle casing, a loaded .45 caliber semi-automatic handgun and drug packaging materials.

The investigation revealed that on May 2, 2014, a friend of Dancy's had been shot and killed during an altercation at a Danbury nightclub. Several individuals who were involved in that altercation lived at the Shelton Street residence where the drive-by shooting occurred.

Dancy was convicted of possession of a firearm by a previously convicted felon. On May 28, 2015, he was sentenced to 72 months' imprisonment, followed by three years of supervised release.

Violent Crimes and Narcotics **Firearms Offenses**

Norwalk Man Sentenced to Five Years for Illegal Gun Possession

On May 13, 2014, Branden Huertas was arrested by Bridgeport Police after he engaged officers in a foot pursuit. After Huertas was apprehended, officers located a black bag containing a loaded .22 caliber revolver that Huertas had discarded during the chase. At the time, Huertas was out on bond on state charges stemming from a series of arrests in 2014 for state domestic violence charges, including strangulation in the second degree, unlawful restraint and assault in the third degree. He was also subject to a protective order that required him to surrender or transfer all firearms and ammunition. It is also illegal for a person who is subject to a protective order to possess firearms.

Huertas was convicted of possession of a firearm by a convicted felon. On December 1, 2015, he was sentenced to 60 months' imprisonment and three years of supervised release. As a special condition of supervised release, Huertas was ordered to abide by the terms and conditions of the protective order issued in connection with the state charges, which is in effect through 2025. The protective order requires that Huertas refrain from any contact with the victim, and that he stay at least 100 yards away from her.

Victims of domestic violence can call the National Domestic Violence Hotline at 800-799-SAFE (7233), or visit www.thehotline.org.

Victims in Connecticut also can call the Connecticut Coalition Against Domestic Violence (CCADV) hotline at 888-774-2900 (English) or 844-831-9200 (Español).

New London Man Sentenced to More Than Seven Years for Illegal Gun Possession

At approximately 11:30 p.m. on April 22, 2013, New London Police received reports of shots fired in the vicinity of a convenience store located on Ocean Avenue near the intersection of Evergreen and Sherman Streets. Responding officers did not find any victim of the shooting, but did locate and seize four spent 9mm Winchester shell casings in the immediate area. The investigation determined that two males had a verbal altercation inside the convenience store and, shortly thereafter, a number of shots had been fired outside the business. Review of video from inside and outside the store led to the identification of Maurice Milligan as the probable shooter.

On April 25, 2013, officers observed Milligan sitting in the driver's seat of a parked vehicle. When officers ordered Milligan to get out of the car, they saw that he was wearing a bullet-proof vest. During a subsequent search of Milligan's car, officers recovered a Glock, Model 17, 9mm semi-automatic pistol with an obliterated serial number that was loaded with 19 rounds of Winchester 9mm ammunition.

A ballistics comparison made of the shell casings recovered on the night of April 22 with the Glock seized from Milligan's car established that the Glock was the weapon utilized in the shooting.

Milligan was convicted of possession of a firearm by a previously convicted felon. On January 30, 2015, he was sentenced to 90 months' imprisonment, followed by three years of supervised release.

Violent Crimes and Narcotics **Firearms Offenses — Gun Manufacturers**

Manager of Gun Manufacturer Sentenced for Violating Federal Firearms Laws

In 2011 and 2012, Tri-Town Plastics had a contract with Smith and Wesson to manufacture firearm frames at its Deep River facility. In February 2012, after the Plainfield Police Department seized a Smith and Wesson 9mm handgun from a residence, the ATF learned that Smith & Wesson had no record of the handgun ever having been manufactured. According to Tri-Town's records, the handgun had been scrapped in March 2011. At that time, ATF was preparing to conduct a routine inspection of Tri-Town to determine whether to renew their federal license to manufacture firearms. When Cummings and one of his employees discovered that there were approximately 23 firearms missing from their inventory, Cummings directed the employee to falsely list them as "scrapped" in Tri-Town's acquisition and disposition records so that the ATF would not learn that they were missing. Cummings admitted that it had been his decision to create the false disposition entries.

Cummings was convicted of one count of making a false entry in a firearms manufacturer's acquisition and disposition records, one count of failing to file a theft/loss report, and one count of failing to maintain a firearms manufacturer's acquisition and disposition records. On May 5, 2015, he was sentenced to one year of probation and a \$1,500 fine. Smith & Wesson purchased Tri-Town in May 2014 and now owns the facility.

Gun Dealers Sentenced for Federal Firearms Violations

Brian Vanacore and Greg Bodytko were the owners of BMG LLC, which operated a gun store in Newington. Vanacore and BMG had three separate federal firearms licenses to deal firearms in Connecticut, and Bodytko was a 50 percent partner in the business with Vanacore.

In the summer of 2013, the ATF conducted a routine inspection of BMG's Newington store during which inspectors found 15 firearms, including machine guns and silencers, which are required to be registered under the National Firearms Act. Records revealed that BMG had purchased the firearms, but had not changed the registration information in the National Firearms Registration and Transfer Record. As a result, each of the firearms remained registered to the individual who sold them to BMG.

BMG, Vanacore and Bodytko also failed on numerous occasions to report the sale of multiple handguns to the same individual; failed to record the acquisition and/or disposition of hundreds of firearms; failed to complete ATF 4473 Forms, which must be filled out by individuals who purchase firearms from federally-licensed firearms dealers; and failed to conduct necessary background checks on at least 10 separate occasions.

Vanacore and Bodytko were both convicted of failing to keep complete and accurate acquisition and disposition records for firearms, and one count of failing to report the multiple sale of handguns. Vanacore also entered a guilty plea on behalf of BMG to one count of making false entries in a dealer's records.

On February 19, 2015, Vanacore and Bodytko were each sentenced to one year of probation, ordered to pay a \$500 fine and to perform 100 hours of community service. Vanacore and Bodytko were also ordered to surrender their Federal Firearm Licenses (FFL). They are not permitted to reapply for an FFL for five years.

BMG was previously sentenced to five years' probation, and the store is no longer in operation.

Violent Crimes and Narcotics Money Laundering

Attorney Sentenced to 30 Months in Prison for Laundering Drug Money

In 2013, law enforcement began investigating Ralph Crozier, an attorney based in Seymour, after receiving information that Crozier assisted a drug dealer to launder narcotics trafficking proceeds. Specifically, Crozier convinced the drug dealer to invest \$30,000 in cash into Crozier's law partner's solar energy company despite knowing that the cash was the proceeds of narcotics trafficking.

Crozier was convicted after trial of one count of conspiracy to launder monetary instruments and one count of attempting to launder monetary instruments. On February 12, 2015, he was sentenced to 30 months' imprisonment, followed by three years of supervised release. He also was ordered to pay a \$25,000 fine.



In April 11, 2013, a cooperating witness, at the direction of law enforcement, took \$11,000 in pre-recorded government funds to a meeting with Crozier. During the meeting, the witness and Crozier discussed the drug dealer's prior \$30,000 investment in the solar company. The witness then advised Crozier that she had another \$11,000 in narcotics trafficking proceeds that the drug dealer had instructed her to bring to Crozier for investment. Crozier accepted the cash and told the woman that he was going to make out the receipt in the dealer's name, rather than the witness's name, explaining "I don't want to put your name on anything because I don't want you involved with hiding things from the Feds." Crozier was arrested shortly after the witness left his office.

Violent Crimes and Narcotics

Murder

Our Office works closely with the States Attorneys' Offices and the local police departments to address violence, particularly homicides and shootings, in our State. This year, recognizing that our State colleagues can be hamstrung by the lack of an investigative grand jury process, we charged a number of cold case homicides. Federal prosecutors have jurisdiction to charge murders linked to racketeering activity, narcotics trafficking, weapons offenses or arson, as well as murders-for-hire. Prosecuting such violent offenses have historically been and continue to be a top priority for the Office.

New London Man Pleads Guilty to Federal Charge Related to 2012 Homicide

Oscar Valentin operated and managed a narcotics distribution enterprise at the "Green Garages," a series of garage bays located at 12/14 Walker Street in New London. In the summer of 2011, Valentin was the intended victim of a murder-for-hire plot orchestrated by former members of his enterprise who were attempting to take over the narcotics distribution operation at the Green Garages. In September 2012, Valentin, who was trying to maintain his position as the head of the Green Garages enterprise, allegedly hired Nestor Pagan, Andrew Aviles, and Jose Rosado, Jr. to assault Javier Reyes, who was associated with the plot on Valentin's life. On the evening of September 12, 2012, Reyes was beaten and stabbed multiple times outside of his apartment on Huntington Street in New London. He died a short time later.

Upon his arrest, Aviles admitted that he stabbed Reyes during the assault. Additionally, video surveillance at the time of the attack shows Rosado, who was carrying a bat, creeping toward Reyes and then running away from him about 15 seconds later.

On January 22, 2015, Aviles pleaded guilty to violating the Travel Act by using a facility in interstate commerce, namely a cellular telephone, with the intent to commit a crime of violence in furtherance of an unlawful activity, and thereafter committing the crime of violence. Aviles, who awaits sentencing, faces a term of life imprison-

ment. Rosado, who previously pleaded guilty to committing a violent crime in aid of racketeering, also awaits sentencing.

Valentin and Pagan are scheduled to proceed to trial in March 2016.

Hartford Man Pleads Guilty to Murder

On April 6, 2011, the Hartford Police Department received a report of shots fired on Thomaston Street in the Blue Hills Section of Hartford. Officers responding to the scene located Anthony Parker seated in the driver's seat of a vehicle in the driveway of 15 Thomaston Street. Parker was unconscious and suffering from multiple gunshot wounds. Parker was transported to the hospital, but ultimately succumbed to his injuries.

An investigation revealed that Jimel Frank was a member of the Wall Street group, a.k.a. "Team Grease," which controlled the sale of narcotics in the Blue Hills area. On the date of the homicide, Frank and another individual, both of whom were armed with 9mm handguns, opened fire on Parker from opposite sides of the vehicle in which he was seated. They targeted Parker because they thought that Parker posed a threat to their narcotics trafficking activities.

On November 12, 2015, Frank pleaded guilty to committing a violent crime in aid of racketeering, namely, the murder of Anthony Parker. Frank, who is awaiting sentencing, faces a maximum term of life imprisonment.

Violent Crimes and Narcotics **Murder**

Hartford Man Charged with Gang-Related Murder

On July 15, 2011, at approximately 9:28 p.m., the Hartford Police Department received a report that shots had been fired in the vicinity of 67 Oakland Terrace and a person reportedly had been hit. When officers arrived in the area they located an unconscious male laying on the front porch of the residence. The individual, who had sustained a gunshot wound to the head, was identified as Keith Washington. The victim was rushed to the hospital, where he succumbed to his injuries.

Subsequent investigation established that a number of the people on the front porch of 67 Oakland Terrace at the time of the shooting, including Washington, were members and associates of the drug trafficking group known as The Ave. The shooting appeared to be in retaliation for an incident that occurred approximately two hours earlier during which Arthur Stanley, a member of the rival West Hell street gang, was shot at by Ave members as Stanley drove through the lower Vine Street section of the city.

On October 27, 2015, a federal grand jury returned an indictment charging Stanley with committing a violent crime in aid of racketeering, namely, the murder of Keith Washington. If convicted of the offense, Stanley faces life imprisonment or death, if the government seeks the death penalty in the matter.

Danbury Man Charged with Murder

On January 17, 2000, at approximately 11:02 p.m., Mark Rebong was discovered in the driver's seat of an idling vehicle in the vicinity of Exit 2 off of I-84 in Danbury. Mr. Rebong had been shot once in the head and died as a result of his injuries.

Subsequent investigation revealed that at the time of the murder, two rival street gangs — the Latin Kings and the Crips — were engaged in an ongoing violent conflict. Mr. Rebong, who was neither a gang member nor involved in criminal activity, was murdered in a case of mistaken identity as he drove to work.

On October 22, 2015, a federal grand jury returned a three-count indictment charging Alex Garcia, an active member of the Latin Kings, with committing a violent crime in aid of racketeering and use of a firearm during and in relation to a crime of violence resulting in Mark Rebong's death. If convicted, Garcia faces a term of life imprisonment.

Both the homicide of Anthony "Smooth" Parker and of Mark Rebong were included in cold case playing cards that are sold to inmates in Connecticut's state correctional facilities. Each card in the deck features a photograph and brief details about an unsolved homicide or missing person case and lists telephone, mail and e-mail contacts that inmates can use to provide information about the case.



Violent Crimes and Narcotics

Murder

Stamford Man Charged with Orchestrating Murder for Hire Scheme

In early December 2015, Larry Talledo-Torejon sought to purchase a restaurant in Stamford for \$300,000. Talledo-Torejon paid the seller \$150,000 of the purchase price, but was unable to come up with the funds to pay the remaining balance. Rather than forego the purchase, Talledo-Torejon is alleged to have devised a plan by which he intended to advise the owner of the restaurant that he (Talledo-Torejon) had given the remaining \$150,000 to the manager of the restaurant. Talledo-Torejon forged receipts that were purportedly signed by the restaurant manager as proof of the payment. Talledo-Torejon also made a complaint with the Stamford Police Department falsely claiming that the manager had stolen \$150,000 that Talledo-Torejon gave him to complete the purchase of the restaurant.

After filing the false report, Talledo-Torejon hired an individual to murder the manager in an effort to make it appear that the manager actually fled with the money. However, rather than go through with the murder, the individual contacted law enforcement and advised them of the plan.

On December 17, 2015, a federal grand jury returned an indictment charging Talledo-Torejon with orchestrating a murder for hire scheme. The charge carries a maximum term of imprisonment of 10 years.

Bridgeport Men Sentenced to More Than 20 Years in Federal Prison for Murder

On October 10, 2012, at approximately 6:20 p.m., Dawayne Cobb was discovered in the driver's seat of an idling vehicle on Sunshine Circle in Bridgeport. Cobb had gunshot wounds in his shoulder and abdomen.

Subsequent investigation revealed that Johnnie Jefferson and Trumaine Hearst conspired to rob Cobb of marijuana. Pursuant to the plan, Jefferson called Cobb and arranged to purchase two ounces of marijuana. When Cobb arrived to deliver the marijuana, Jefferson and Hearst got into his car and robbed him at gunpoint.

When Jefferson got out of the car with the marijuana, Hearst shot Cobb in the shoulder and stomach. Hearst and Jefferson then fled to a location in Bridgeport where they divided the marijuana amongst themselves and others.

Jefferson and Hearst were both convicted of causing the death of Dawayne Cobb through the use of a firearm.

On May 19, 2015, Hearst was sentenced to 28 years' imprisonment, followed by five years of supervised release. On June 23, 2015, Jefferson was sentenced to 22 years' imprisonment, followed by five years of supervised release.

Violent Crimes and Narcotics

Arson Murder

New Haven Man Given Life Sentence for Committing Arson that Killed Three in Fair Haven

On April 13, 2013, Hector Natal and his father Hector Morales were convicted of numerous charges related to the March 2011 arson of a two-family house in the Fair Haven section of New Haven that caused the deaths of 41-year-old Wanda Roberson, her 8-year-old son Quayshaun Roberson, and her 21-year-old niece Jaqueeta Roberson.

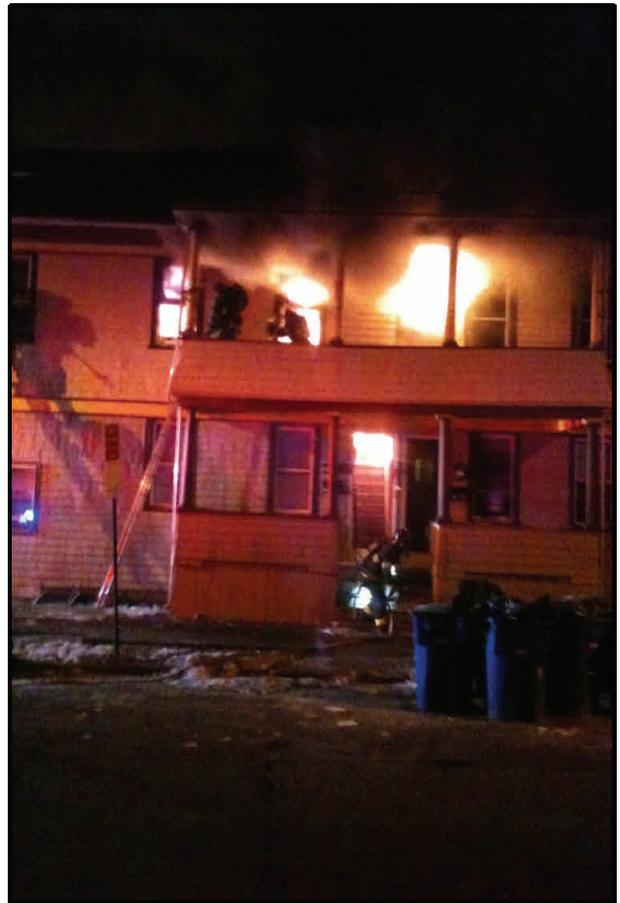
The evidence at trial revealed that Natal was a drug dealer who sold cocaine, crack cocaine, pills, and marijuana. Morales served as Natal's driver, facilitating his sales of narcotics and collection of drug proceeds.

Early on the morning of March 9, 2011, Natal set fire to 48-50 Wolcott Street in New Haven in retaliation for a customer's failure to pay a small drug debt. Seventeen people, including three toddlers, two pregnant women and two grandmothers, were in the house at the time the fire was set. Once the building began to burn, Morales drove Natal away from the scene in his blue van. Hearing reports that a blue van was seen leaving the scene, Morales painted his van black to obstruct the investigation of the fatal fire. Natal and Morales then schemed with other family members to testify falsely before the grand jury in an effort to prevent the grand jury from developing evidence regarding their complicity in the arson.

Natal was found guilty of three counts of arson resulting in death, and one count of attempted arson. Natal and Morales were both convicted of conspiring to distribute and to possess with intent to distribute narcotics, conspiring to tamper with witnesses and witness tampering. Morales was found guilty on three counts of being an accessory after the fact to the arson, and one count of de-

struction of evidence.

On January 8, 2015, Morales was sentenced to 174 months' imprisonment, followed by five years of supervised release. On February 15, 2015, Natal was sentenced to life imprisonment.



Violent Crimes and Narcotics

Arson Murder

Federal Jury Finds Man Guilty of Causing Arson Death of Branford Woman in 2006

On October 2, 2015, John Vailette was convicted of committing an arson in Branford in 2006 that caused the death of Kathy Hardy.

The evidence at trial revealed that at approximately 8:45 a.m. on March 7, 2006, the Branford Emergency Communications Center received 911 calls reporting a fire at 27 Little Bay Lane in Branford, a single-family home rented by Kathy Hardy. After members of the Branford Fire Department arrived at the scene and extinguished the fire, firefighters located Ms. Hardy's body on the second floor of the residence. Fire Department investigators ultimately determined that the fire was initiated by accelerants located in the first floor living room area and on the staircase leading to the second floor of the dwelling. An autopsy established that the cause of death was smoke inhalation.

Approximately two days after the fire, investigators located a truck regularly used by Vailette, which had been hidden in New Haven in the aftermath of the fire. The truck contained a silver serving platter, two watches and rosary beads that belonged to Kathy Hardy. Moreover, after the fire, Vailette made incriminating statements regarding his involvement in the crime.

Vailette, who is awaiting sentence, faces a term of life imprisonment.

Criminal Division

Financial Fraud and Public Corruption

Financial Fraud & Public Corruption

David Novick is the Chief of the Financial Fraud and Public Corruption unit (FFPC), and Sarah Karwan and Michael McGarry are the Deputy Chiefs. AUSA Liam Brennan is the coordinator of the Public Corruption Task Force. In addition to the prosecutors already named, the FFPC Unit includes paralegals, legal assistants, and other specialists, as well as the following AUSAs: David Huang, Kit Schmeisser, Dave Sheldon, Susan Wines, Heather Cherry, Peter Jongbloed, Jonathan Francis, Avi Perry and John Pierpont.

This group's responsibilities include the important goal of investigating and prosecuting public corruption, which includes cases involving public officials who seek to use their positions for private benefit and those who seek to corrupt their office. These cases involve a number of different offenses, including theft of honest services, mail and wire fraud, bribery, theft of government property, and tax violations.

In addition, the FFPC investigates and prosecutes corporate fraud, particularly focusing upon crimes that undermine the trust of the investing community. Cases involving securities, commodities and investor fraud, falsification of corporate financial information, self-dealing by corporate insiders, and obstruction of justice, perjury, witness tampering, or other obstructive behavior in connection with investigations of these crimes, receive significant scrutiny. Other white-collar crime priorities include healthcare fraud, mortgage fraud, financial institution fraud and embezzlement, tax fraud, defense contractor/procurement fraud, fraud and corruption in connection with government program activities, and Foreign Corrupt Practices Act violations.

On the next several pages are descriptions of a small sampling of the cases the FFPC Unit has prosecuted over the past year.

— Contact Information —

David E. Novick: david.novick@usdoj.gov.

Michael S. McGarry: michael.mcgarry@usdoj.gov.

Sarah P. Karwan: sarah.p.karwan@usdoj.gov.

Financial Fraud and Public Corruption

Public Corruption Task Force

Formation of Public Corruption Task Force

In February 2015, the Office announced the formation of the Connecticut Public Corruption Task Force to investigate corrupt public officials, the misuse of public funds and related criminal activity.

The Connecticut Public Corruption Task Force includes representatives from the Federal Bureau of Investigation, United States Postal Inspection Service, Internal Revenue Service – Criminal Investigation Division, and the Inspector General’s Offices of the United States Department of Health and Human Services and the United States Department of Housing and Urban Development.

The Task Force is focused on rooting out not only corrupt elected officials, but also federal, state and municipal employees who use their position for personal gain at the expense of the public good. The Task Force investigates corruption that threatens public resources, the electoral process, and fair economic opportunities for citizens and businesses. Finally, the Task Force is charged with uncovering corruption within both public and private institutions that receive and misuse taxpayer dollars.

Middlebury Fire Chief Convicted of Embezzling Funds

On July 23, 2015, Paul Perrotti was convicted of embezzling funds while serving as the Fire Chief of the Town of Middlebury.

The evidence at trial established that Perrotti served as the Fire Chief of the Middlebury Volunteer Fire Department, Inc. (MVFD) from 1997 until 2014. Perrotti is also a licensed electrical contractor and, since approximately 2010, has operated Paul Perrotti Electric, LLC (PPE). In 2012 and 2013, Perrotti used Town funds to pay for unauthorized personal expenses and for expenses associated with PPE. These payments included checks made directly payable to employees of PPE, checks made to various vendors for PPE-related supplies, and checks made to pay third parties, who ultimately passed on the payments to Perrotti. Perrotti also submitted invoices to the Town of Middlebury for expenses that he falsely claimed were incurred by MVFD but, in fact, were expenses related to PPE, including bills for several of PPE’s vendors. In total, Perrotti embezzled more than \$70,000 from the Town and the MVFD.

Perrotti was convicted of two counts of theft concerning programs receiving federal funds. Each count carries a maximum term of imprisonment of ten years. Perrotti awaits sentencing.

— Contact Information for Public Corruption Task Force Coordinator —

AUSA Liam Brennan: liam.brennan3@usdoj.gov.

Citizens who want to report corrupt activity can call: **1-800-CALL-FBI (1-800-225-5324).**

Financial Fraud and Public Corruption

Public Corruption

Former Chief of Staff to House GOP Minority Leader Sentenced to Prison for Profiting by Steering Campaign Business

George Gallo was the Chief of Staff to the Minority Leader of the Connecticut House of Representatives. As part of his responsibilities, Gallo was responsible for designing and overseeing the campaign program of the House Republican Campaign Committee (HRCC), a state-registered political action committee that provides material and strategic support to Republican candidates for the Connecticut House of Representatives.

In 2008, Gallo and others developed a HRCC campaign program in anticipation of the first general election cycle in which candidates seeking election to the Connecticut General Assembly or statewide office would receive public financing through the state's Citizens' Election Program (CEP). The purpose of the new program, in part, was to enable the HRCC to centrally coordinate CEP-funded campaigns by providing Republican House candidates with access to comprehensive campaign related services, including direct mail services, voter information, polling, messaging advice, and campaign management. Gallo selected the campaign service vendors that were permitted to participate in the HRCC program.

During the selection process, Gallo told an employee of a Florida-based company that provided direct mail services to political campaigns about the new business opportunity in Connecticut. Gallo informed the employee that the CEP would lead to greater numbers of well-funded Republican House candidates in need of direct mail services, and that the Florida company could serve as a HRCC-sponsored vendor with access to CEP funded Republican candidates. In exchange, the company would make payments to

Gallo equal to 10 percent of the revenue that the company received from candidates participating in the HRCC program. The employee agreed to Gallo's proposal.

As part of the scheme, Gallo, through the HRCC, hosted "campaign schools" for House Republican candidates where HRCC-sponsored vendors, including the Florida company, gave presentations marketing their services. Gallo and others arranged for candidates, who were all completely unaware of Gallo's scheme, to meet individually with the Florida company to discuss in greater detail the company's services, prices, and a direct mail plan.

During the 2008 and 2012 election cycles, Gallo made false representations to the Minority Leader of the Connecticut House of Representatives that he did not have a financial relationship with or receive any compensation from any of the HRCC-sponsored vendors. During the 2008, 2010 and 2012 election cycles, Gallo also made false representations to others, knowing that his statements would be communicated to candidates participating in the HRCC campaign program, that he did not receive any compensation from any HRCC-sponsored vendor.

From 2008 through 2012, the Florida company mailed checks made payable to the Vinco Group, a Cromwell-based limited liability company of which Gallo was the sole member, totaling approximately \$117,266.

Gallo was convicted of mail fraud. On August 27, 2015, he was sentenced to 12 months and one day of imprisonment, followed by three years of supervised release. He was also ordered to pay \$117,266 in restitution.

Financial Fraud and Public Corruption

Public Corruption

Former Plymouth Finance Director Sentenced to 30 Months for Embezzling \$800k

From October 2011 through October 2014, David Bertnagel was employed as the Finance Director for the Town of Plymouth. During that time period, Bertnagel issued 207 checks totaling approximately \$808,030 from the Town's payroll account to himself. Bertnagel used the embezzled funds to make mortgage payments, pay credit card bills, fund home improvement projects and purchase more than \$100,000 in coins, stamps and other collectibles. He also converted more than \$182,000 of the stolen funds by way of cashed checks, ATM withdrawals and money orders.

In addition, Bertnagel did not file a tax return for the 2011 tax year, and his federal tax returns for the 2012 and 2013 tax years failed to report any of his embezzled income. As a result, the government suffered a tax loss of \$145,564 for those two years.

Bertnagel was convicted of theft from a local government receiving federal funds and of making and subscribing a false tax return. On May 22, 2015, he was sentenced to 30 months of imprisonment, followed by three years of supervised release. Bertnagel was also ordered to pay \$808,029 in restitution to the Town of Plymouth, and to cooperate with the IRS to pay all outstanding taxes, penalties and interest. Bertnagel also has agreed to forfeit more than \$45,000 that he held in bank accounts, and assorted jewelry, stamps, coins, and other collectibles that were seized on the date of his arrest. Finally, Bertnagel was ordered to perform 1,500 hours of community service while on supervised release.

Former FCI Danbury Employee Sentenced to Prison for Participating in Bribery Scheme

In June 2013, Kisha Perkins, who worked as a Unit Counselor at the Federal Correctional Institution (FCI) in Danbury approached another FCI employee about an opportunity to participate in a scheme to solicit a cash bribe from an inmate in exchange for the inmate's early release to a halfway house. At that time, Perkins did not have administrative authority to recommend inmates for early release. Therefore, Perkins explained to her co-worker that the co-worker was needed to complete the scheme because the co-worker had the administrative ability to recommend inmates for early release. Perkins's co-worker declined to participate in the scheme, reported the incident to law enforcement, and agreed to cooperate in the investigation.

In July 2013, under the direction of law enforcement, Perkins's co-worker told Perkins that he/she had changed his/her mind and wanted to assist in the scheme. Perkins informed her co-worker that a scheme involving the inmate who had been previously identified was no longer feasible. In February 2014, as part of an undercover scenario, Perkins's co-worker identified a second inmate as a possible candidate for the bribe scheme. Perkins agreed and, after extensive planning, on March 8, 2014, Perkins and her co-worker traveled to a commuter lot off of I-84 to pick up a partial bribe payment of \$5,000 in cash that was delivered by a person posing as the inmate's acquaintance.

Perkins was convicted of acceptance of a bribe by a public official. On July 21, 2015, she was sentenced to 12 months and one day of imprisonment, followed by one year of supervised release.

Financial Fraud and Public Corruption

Campaign Finance

Governor Rowland, Brian Foley and Lisa Wilson-Foley Sentenced for Illegal Activity in Congressional Campaigns

John G. Rowland served in the U.S. House of Representatives from 1985 to 1991 and as governor of Connecticut from 1995 to 2004. However, in 2005, Rowland was convicted of political corruption and was sentenced to serve one year in prison. Rowland was released in 2006.

Thereafter, in approximately October 2009, Rowland devised a scheme to work for the campaign of a candidate seeking election to the U.S. House of Representatives from Connecticut's Fifth Congressional District during the 2009 and 2010 election cycle, and to conceal from the Federal Election Commission (FEC) and the public that he would be paid to perform that work. To make the illegal arrangement appear legitimate, Rowland drafted a sham consulting contract pursuant to which he would purportedly perform work for a separate corporate entity owned by the candidate.

During the 2011 and 2012 election cycle, another candidate, Lisa Wilson-Foley, was seeking election to the U.S. House of Representatives from Connecticut's Fifth Congressional District. Wilson-Foley's husband, Brian Foley, owns a Connecticut nursing home company and a number of other related companies, including a real estate company. Rowland conspired with Wilson-Foley, Foley and others to conceal from the FEC and the public that Rowland was paid money in exchange for services he provided to Wilson-Foley's campaign.

As part of the scheme, Rowland, Wilson-Foley and Foley agreed that Rowland would be paid by Foley—rather than by Wilson-Foley—to work on the campaign. The conspirators then created a fictitious contract purportedly for consult-

ing services between Rowland and the law offices of an attorney who worked for Foley's nursing home company. Foley paid Rowland for his work on behalf of Wilson-Foley's campaign by routing the payments from his real estate company through the law offices of the attorney. Rowland provided nominal services to Foley's nursing home company to create the "cover" that he was being paid for those nominal services when, in fact, he was being paid for his work on behalf of the campaign.

Rowland was paid approximately \$35,000 for the services rendered to Wilson-Foley's campaign. The payments originated with Foley and constituted campaign contributions, but were not reported to the FEC in violation of federal campaign finance laws.

On March 31, 2014, Foley and Wilson-Foley each pleaded guilty to conspiring to make illegal campaign contributions. On September 19, 2014, Rowland was found guilty of two counts of falsification of records in a federal investigation, one count of conspiracy, two counts of causing false statements to be made to the FEC, and two counts of causing illegal campaign contributions.

On January 9, 2015, Foley, who received credit for cooperating with the investigation, was sentenced to three months in community confinement in a halfway house. On March 24, 2015, Lisa Wilson-Foley was sentenced to five months' imprisonment, one year of probation, five months' home confinement on electronic monitoring, fined \$20,000, and ordered to pay the cost of her incarceration and electronic monitoring.

On March 18, 2015, Rowland was sentenced to 30 months' imprisonment, followed by three years of supervised release. He was also ordered to pay a \$35,000 fine.

Financial Fraud and Public Corruption

Investor Fraud — Ponzi Schemes

Hedge Fund Adviser Sentenced To 13 Years for Running Massive Ponzi Scheme

In 2005, Francisco Illarramendi founded and became a partner in Stamford-based Highview Point Partners (HVP). HVP was registered with the U.S. Securities and Exchange Commission (SEC) as an investment advisor. In 2006, Illarramendi founded Michael Kenwood (MK), which was also located in Stamford, but was not registered with the SEC. In late 2005, one of the hedge funds Illarramendi was advising lost \$5 million. Rather than disclose the truth to his investors, Illarramendi created fraudulent documents, including a bogus debt instrument and a phony letter purporting to have been issued by an investment bank, and a fictitious asset verification letter falsely representing that one of the hedge funds, the Short Term Liquidity Fund (STLF), had at least \$275 million in credits as a result of outstanding loans.

In addition, Illarramendi misled investors, creditors and the SEC about the true performance of the funds, the assets under management by the funds and the transactions being conducted by the funds and related entities. At times, Illarramendi used money provided by new investors to pay out the returns he promised to earlier investors, made false representations to his investors and creditors in an effort to obtain new investments from them and to prevent them from seeking to liquidate their investments, improperly commingled the investments in each individual hedge fund with investments in the other hedge funds, and engaged in transactions that were not in the best interests of the funds.

To keep his fraud hidden, and to secure an investment of approximately \$100 million, Illarramendi paid \$3.4 million in bribes to two officials of the Venezuelan state-owned oil company, Petroleos de Venezuela, S.A. Illarramendi also paid a Venezuelan accountant,

Juan Carlos Guillen Zerpa, and a purported Florida businessman, Juan Carlos Horna Napolitano, \$1.25 million to assist him in the creation of the fictitious asset verification letter that falsely represented that STLF had at least \$275 million in credits. Illarramendi used the letter in an attempt to mislead and deceive the SEC regarding whether there was sufficient capital and credit to protect the investors of STLF.

Illarramendi personally obtained more than \$20 million during the course of the scheme, and used approximately \$5 million of the funds to construct a home in New Canaan.

On January 14, 2011, the SEC filed a civil action seeking, among other things, to enjoin Illarramendi and MK-related entities from violating the federal securities laws and to submit an accounting of investor funds. Subsequent to the filing of the SEC civil action, a U.S. District Judge appointed business advisers and a court-appointed receiver to ascertain the assets and liabilities of the hedge funds affiliated with MK, among other tasks. The court-appointed receiver ultimately recovered more than \$300 million of the funds that were lost, including the vast majority of the bribe payments. The receiver also sold Illarramendi's New Canaan residence for approximately \$3 million.

Illarramendi was convicted of two counts of wire fraud; one count of securities fraud; one count of investment advisor fraud; and one count of conspiracy to obstruct justice, to obstruct an official proceeding and to defraud the SEC. On January 29, 2015, he was sentenced to 156 months' imprisonment, followed by three years of supervised release.

Financial Fraud and Public Corruption

Investor Fraud

Man Sentenced to 63 Months for Stealing \$1.1 Million Through Ponzi Scheme

Robert E. Lee was a broker and financial advisor for various financial investment firms until July 2013, when he was terminated by his most recent employer. Between January 2011 and March 2014, Lee defrauded individuals of approximately \$1,150,815 by claiming that he was investing their money in various investment vehicles when, in fact, he was maintaining custody of their funds in his personal bank account. Lee then used the money to make distributions to other investors, and for personal expenses. To conceal the scheme, Lee fabricated account statements that he delivered to his victims.

On March 11, 2015, Lee was sentenced to 63 months of imprisonment. The court also ordered Lee to forfeit \$358,077 that was held in an online trading account at the time of his arrest, fined Lee \$10,000, and ordered him to pay full restitution to the victims.

Fairfield County Hedge Fund Executives Sentenced for Fraud Scheme

In November 2007, New Stream Capital, LLC (New Stream), a Ridgefield-based hedge fund, launched new feeder funds. One of the funds was located in the United States (U.S. Fund) and a series of funds were located in the Cayman Islands (Cayman Fund). New Stream also announced that its existing Bermuda Fund would be closing, and all foreign investors would have to move their investments into the Cayman Fund. Rather than transfer into the new structure, New Stream's largest investor placed a redemption on its whole investment in the Bermuda Fund in March 2008. At risk of losing their largest investor, New Stream's chief financial officer Richard Pereira and New Stream managing partners David Bryson and Bart Gutekunst set in motion a scheme to secretly keep the Bermuda Fund open

and give priority to Bermuda Fund investors in an effort to reverse the redemption.

As part of the scheme, Pereira, Bryson and Gutekunst had New Stream staff secretly execute documents to effectuate the Bermuda Fund's special priority. New Stream failed to inform investors who had transferred from the Bermuda Fund into the Cayman Fund that the Bermuda Fund was remaining open or that it was being given priority over the Cayman Fund. Moreover, New Stream continued to market to investors by concealing from them the magnitude of the actual pending redemptions and by using deceptive marketing materials that failed to disclose the existence of New Stream's Bermuda Fund.

Through this scheme, New Stream investors were defrauded out of more than \$46 million.

From April 2008 to December 2010, Bryson and Gutekunst each collected more than \$5 million in management fees and profit sharing while participating in this fraud scheme. In late 2008, Pereira received a \$700,000 bonus from New Stream.

Pereira, Bryson, and Gutekunst were all convicted of conspiracy to commit wire fraud.

On May 5, 2015, Bryson was sentenced to 33 months' imprisonment, followed by three years of supervised release. On May 6, Gutekunst was sentenced to 30 months' imprisonment, followed by three years of supervised release. And, on May 7, 2015, Pereira was sentenced to one year and one day of imprisonment, followed by three years of supervised release.

Financial Fraud and Public Corruption

Investor Fraud

Former Bristol Resident Sentenced to Five Years in Prison for Operating \$1.8 Million Investment Scheme

Stephen Goodrich ran an investment business in Bristol that operated under the name Goodrich Financial. Although Goodrich was not a licensed or registered investment adviser, he provided a business card to some individuals that falsely represented that he was licensed to conduct an investment business.

Beginning in approximately 2006 and continuing to approximately November 2012, Goodrich defrauded individuals who had provided him with investment funds by failing to invest the funds as represented, and by using some of the investment funds for his personal use. In fact, between 2007 to 2011, Goodrich used more than \$600,000 of the investors' funds for his personal use without disclosing this income on his federal tax returns. As a result, Goodrich owes \$239,443 in back taxes, plus interest and penalties.

At times, Goodrich also used new investor funds to return the principal investment to earlier investors, as is often done in Ponzi schemes. In order to prevent his investors from becoming aware of the scheme, Goodrich provided written performance summaries to his investors that falsely represented the value of their investments.

As a result of Goodrich's scheme, approximately ten investors collectively lost a combined total of \$1.8 million.

Goodrich was convicted of mail fraud and of subscribing to a false tax return. On February 24, 2015, he was sentenced to 60 months' imprisonment, followed by three years of supervised release. He was also ordered to pay full restitution to his victims.

East Haven Resident Sentenced to More Than Five Years in Prison for Operating Investment Scheme

John D'Auria ran an investment business that operated under the name Fifth Street Capital. Originally, D'Auria was a licensed and registered investment adviser, but he lost his license in approximately 2011. Thereafter, and continuing to 2014, D'Auria engaged in a scheme to defraud investors who had provided him with investment funds by failing to invest the funds as represented and by using the majority of the funds for his personal use.

As part of his scheme, D'Auria made false statements and misrepresentations to his investors regarding the purported returns generated by their investments. He also represented to investors that their funds were fully invested in separate accounts. In truth, D'Auria did not fully invest the funds but rather commingled the funds in his own personal bank accounts and his own trading account. As a result of D'Auria's scheme, seven investors lost a combined total of \$2,375,943.

D'Auria was convicted of wire fraud. On October 6, 2015, he was sentenced to 63 months' imprisonment, followed by three years of supervised release. He was also ordered to pay full restitution to his victims.

Financial Fraud and Public Corruption **Trial Convictions**

Danbury Man Convicted of Defrauding Investors

On November 25, 2015, Ian Parker Bick was convicted of fraud and money laundering offenses stemming from his operation of Ponzi scheme.

The evidence at trial established that Bick was a principal and/or managing member of various Danbury-based entities, including This Is Where It's At Entertainment, LLC, Planet Youth Entertainment, W&B Wholesale, LLC, and W&B Investments, LLC. Using these entities, Bick solicited investment funds from his friends, former classmates, acquaintances, and their parents by promising high investment returns over relatively short periods of time. Bick falsely represented to victim-investors that he could generate the high investment returns by using their funds to purchase electronics and electronic devices, such as iPhones, tablets, and head phones, and by reselling the items for a substantial profit via the Internet. However, the electronic resale business never actually began in earnest and did not return any meaningful profit. Bick also falsely represented to certain victim-investors that he could generate high investment returns by using their funds to organize and promote concerts at various venues in Connecticut and Rhode Island. Bick falsely represented that he had made significant profits organizing and promoting concerts in the past.

Bick failed to invest the funds he received as he had represented and instead used the funds for unrelated and unsuccessful businesses, to pay personal expenses, and to purchase luxury items, such as jet skis. Bick also used invested funds to issue payments, purportedly as "interest payments" and as "return of principal," to certain victim-investors.

Through this scheme, Bick defrauded more than 15 investors out of a total of nearly

\$500,000.

Bick was found guilty of six counts of wire fraud, which carry a maximum term of imprisonment of 20 years on each count, and one count of money laundering, which carries a maximum term of imprisonment of 10 years' imprisonment. He awaits sentencing.

Citizens are encouraged to report any financial fraud schemes by calling, toll free, 855-236-9740, or by sending an email to ctsecuritiesfraud@ic.fbi.gov

Insurance Agency Owner Convicted of Stealing More Than \$1.7 Million in Scheme to Defraud

On December 14, 2015, Earl O'Garro, Jr. was convicted of defrauding a specialty lender, insurance carriers and the State of Connecticut.

The evidence at trial established that O'Garro was the President, Chief Executive Officer and an owner of Hartford-based Hybrid Insurance Agency, LLC (Hybrid), a wholesale insurance brokerage specializing in placing excess and surplus line insurance products.

Beginning in approximately April 2013, O'Garro defrauded Capital Premium Financing, Inc., a specialty lender that provides premium financing on behalf of insured entities. O'Garro falsely represented to Capital Premium Financing that an insurance carrier, AmTrust E&S Insurance Services, Inc. (AmTrust), had issued insurance policies for four companies, that these companies were using Capital Premium Financing's services to finance their premium payments, and that Hybrid had brokered the contracts and was entitled to collect the premiums on behalf of AmTrust. Relying upon O'Garro's false representations, Capital Premium Financing

Financial Fraud and Public Corruption **Trial Convictions**

released \$849,282 in premium payments to Hybrid on the purported insurance policies. O'Garro converted the funds to his own use.

Hybrid also served as the wholesale broker for certain insurance policies held by the City of Hartford. In July 2013, O'Garro directed the city to transfer \$868,244 in premiums to Hybrid. After the City of Hartford wired Hybrid the funds, O'Garro intentionally withheld \$669,997 in premium payments from the appropriate excess insurance carriers, Starr Indemnity & Liability Company, Inc., and National Casualty Company. Instead, O'Garro converted the money to his own use, yet falsely advised the city that the premium payments had been remitted to the insurers.

The evidence at trial also established that, in approximately July 2013, O'Garro, on behalf of Hybrid, submitted a false application to the State of Connecticut Department of Economic and Community Development (DECD) for a \$500,000 loan. In his application, O'Garro provided false information concerning his and Hybrid's financial condition. Based in part on these false statements, DECD approved Hybrid's loan application and mailed a \$250,000 check to Hybrid. O'Garro used a substantial portion of those loan funds to make a payment on a million dollar condominium he had purchased in the Dominican Republic and to pay other personal expenses.

O'Garro was found guilty of two counts of wire fraud and one count of mail fraud. Each charge carries a maximum term of 20 years' imprisonment. He awaits sentencing.

Dollar Advance Fee Fraud Scheme

On September 30, 2015, David C. Jackson and Alexander D. Hurt were convicted of conspiracy and wire fraud related to an advance fee fraud scheme that victimized more than 40 people out of an estimated \$4.5 million.

The trial evidence showed that Jackson set up a fraudulent business purportedly for the purpose of assisting individuals who were seeking to obtain business loans. Jackson, Hurt, and others then collected what were alternately described as "application," "collateral," or "commitment" fees from individuals seeking such loans. The victims included small business owners, developers, and even family farmers who were seeking loans to create, expand, or operate their businesses. The victims were promised a refund if Jackson could not secure the requested loan.

To convince potential borrowers that the loans were legitimate, Jackson provided them with the contact information of a co-conspirator who was posing as a reference. When contacted, the co-conspirator falsely represented to the potential victims that she had previously received funding from Jackson for a construction loan.

Jackson and Hurt were found guilty of conspiracy to commit wire fraud and multiple counts of wire fraud. Jackson was sentenced in February to 205 months of imprisonment. Hurt awaits sentencing.

Two Men Convicted of Operating Multimillion

Financial Fraud and Public Corruption **Fraud and Embezzlement**

Former Owner of Insurance Brokerage Agency Pleads Guilty to Stealing \$10 Million from Aetna

Bonney J. Hebert was the sole owner and president of Academic Risk Resources and Insurance, LLC (ARRI), a risk management and insurance brokerage agency based in Boston. ARRI's business included brokering insurance contracts between health insurance providers and colleges or universities in order to provide health insurance for students and other individuals affiliated with the college. In July 2007, Hebert and ARRI began serving as the broker for a student health insurance contract entered into between Aetna, which is based in Connecticut, and Rutgers, the State University of New Jersey. The contract between Aetna and Rutgers provided that premiums would be paid by Rutgers to ARRI and then transmitted by ARRI to Aetna.

Between 2009 and 2012, Hebert failed to transmit to Aetna \$10,358,728 in premiums that she collected from Rutgers. She used the stolen funds on personal expenses and to pay ARRI's business expenses.

Hebert was convicted of wire fraud and of engaging in monetary transactions in property derived from specified unlawful activity. On November 18, 2015, she was sentenced to 36 months' imprisonment, followed by three years of supervised release. She was also ordered to pay \$7,846,305 in restitution.

Former Controller of Greenwich Hedge Fund Sentenced to Four Years for Embezzling More Than \$9 Million

Lawrence J. Herzing was employed as the controller of Greenwich-based Contrarian Capital Management, L.L.C. On 32 occasions between 2004 and 2013, Herzing used his position to wire a combined total of \$9,202,417 from his employer to accounts that he controlled.

Herzing was convicted of wire fraud. On April 24, 2015, he was sentenced to 48 months' imprisonment, followed by three years of supervised release. Herzing was also ordered to pay full restitution and to forfeit his residence and funds seized from his accounts, totaling more than \$5 million.

Bank Employee Sentenced to Federal Prison for Embezzling More Than \$450,000

Maria Rosa Esteves was employed by People's United Bank from 1993 to 2014. Beginning in 2006, Esteves worked primarily in the bank's Adjustments Department, ultimately holding the title of Lead Adjuster with responsibilities that included arranging for cashier's checks to be issued to customers when a customer's account needed to be adjusted.

The investigation revealed that Esteves used her position in the Adjustments Department to embezzle \$452,122 from the bank by causing the bank to issue cashier's checks that Esteves would then use to pay persons or entities to which she owed money, including her utility company, homeowner's insurance company and mortgage providers. Esteves also embezzled money by depositing cashier's checks into bank accounts she controlled and from which she, or others associated with her, were able to access the funds. In total, Esteves misappropriated more than 300 cashier's checks.

Estevez was convicted of embezzlement from a federally insured bank. On January 12, 2015, she was sentenced to 12 months and one day of imprisonment, followed by six months of home confinement and three years of supervised release.

Financial Fraud and Public Corruption **Fraud Schemes**

Esteves was also ordered to pay full restitution, and to perform 60 hours of community service during her term of supervised release. years of supervised release. He was also ordered to pay \$2,979,972 in restitution.

Connecticut Insulation Contractor Sentenced to 57 Months for Operating Fraud Scheme

Edward Petrucci operated Womco Insulation, Inc., Incor Group, Inc., D & N Insulation Company, and Petco Insulation Company, all of which were companies that performed construction services, mechanical insulation and asbestos removal in large-scale building projects in Connecticut, New York, Massachusetts, and Florida.

In 2006, Petrucci, who had just been released from federal prison, was unable to secure funding from a bank to start a business. Instead, he sought funding from Platinum Funding Services, LLC, a New York-based factoring company. A factoring company typically purchases a company's receivables at a discount, and then provides the company with liquid assets in exchange for the right to collect on the purchased receivables at a later date.

Initially, Platinum purchased Petrucci's invoices from legitimate insulation jobs throughout Connecticut and collected on those invoices without any serious problems. However, from approximately December 2007 to April 2009, Petrucci defrauded Platinum by selling invoices to Platinum for work that his companies had not performed and, in many cases, would never perform. Through this scheme, Petrucci's companies fraudulently obtained more than \$2.5 million in payments from Platinum.

Petrucci's scheme essentially forced Platinum into bankruptcy and out of business. Approximately 40 Platinum employees lost their jobs.

Petrucci was convicted of wire fraud and of mail fraud. On July 22, 2015, he was sentenced to 57 months' imprisonment, followed by three

Ridgefield Physician Sentenced to Prison for Health Care Fraud, Pays \$270k in False Claims Act Settlement

David Lester Johnston is an osteopathic physician who operated Osteopathic Wellness Center, LLC, in Ridgefield. An investigation into Johnston revealed that he engaged in a scheme to defraud several private health insurance companies and Medicare by submitting false claims for services that patients did not receive. For instance, patients were going to Johnston's office to obtain massages and related services from a massage therapist. At times, Johnston was not even at the office when the massages were performed. Nonetheless, Johnston submitted claims, falsely describing the purpose for the visit as evaluation and management (physician office visits) and claiming that he had personally performed the services.

Johnston was convicted of health care fraud. On July 13, 2015, he was sentenced to three months of imprisonment, followed by three years of supervised release, the first six months of which must be served in home confinement. Johnston also was ordered to perform 150 hours of community service and to pay \$172,950. in restitution. In addition, as part of the resolution of this case, Johnston entered into a settlement with the government by which he agreed to pay \$270,528 to settle federal civil claims related to his commission of Medicare fraud.

Financial Fraud and Public Corruption

Mortgage Fraud

Man Sentenced To More Than Eight Years for Orchestrating Mortgage Fraud Scheme

From approximately June 2005 to July 2010, Filippos Milios, Gabriel Serrano and others conspired to defraud banks and mortgage lenders. As part of the scheme, Milios, using financing from private lenders, purchased properties either in his own name, in the name of a limited liability corporation in which he had an interest, or in the name of a co-conspirator. He then recruited straw purchasers to buy these properties. Unbeknownst to the lenders who provided mortgages to the borrowers, Milios and his co-conspirators submitted fraudulent loan applications, including false HUD-1 forms, employment verification letters and rental verification letters to the lenders who provided mortgages. Milios also made down payments on behalf of the borrowers who had been recruited to buy the properties.

Serrano was the closing attorney on at least two dozen fraudulent transactions for Milios. Serrano often represented the buyers knowing that Milios had paid the down payment on the buyer's behalf. In some instances, Serrano released the seller's proceeds checks to Milios before receiving a down payment knowing that Milios would use the proceeds to make the down payment for the same transaction. In addition, some of the borrowers purchased multiple properties from Milios and represented to the mortgage lenders that they were purchasing each of the properties as primary residences, which Serrano knew to be false. The overall scheme involved the purchase of more than 50 houses, primarily in Hartford, New Haven and Middlesex counties, and resulted in nearly \$5.7 million in losses to lenders.

Milios and Serrano were convicted of conspiring to commit mail fraud, bank fraud, and money laundering. In January 2015, Milios was sen-

tenced to 97 months' imprisonment, followed by five years of supervised release. On May 8, 2015, Serrano was sentenced to 12 months and one day of imprisonment, followed by five years of supervised release. Serrano was also suspended from the bar in December 2013.

Lawyer Sentenced to 14 Months for Role in Mortgage Fraud Scheme

Between 2006 and 2010, Christopher Brecciano worked as an associate at a Stamford law firm. During that time period, Brecciano participated in a mortgage fraud conspiracy that involved the purchase of numerous single and multi-family properties in Bridgeport, Norwalk and Stamford. Brecciano was the closing attorney on at least 50 mortgage loan transactions in which materially false information was provided to mortgage lenders, including false verifications of down payments for real estate transactions, false deeds, and false HUD-1 Forms. In many instances, Brecciano knew that the borrower was a "straw buyer," and that other individuals intended to control the property and collect rent from the property.

When the properties ended up in foreclosure, Brecciano became involved in many of the short sale transactions knowing that the buyer and seller were working together to retain control of the property while falsely representing to the lender that the sale was an arm's length transaction.

Brecciano was convicted of conspiring to defraud a financial institution. On October 1, 2015, he was sentenced to 14 months' imprisonment and ordered to pay \$8,406,638 in restitution.

Financial Fraud and Public Corruption

RMBS

RMBS Task Force

The Financial Fraud Enforcement Task Force's Residential Mortgage-Backed Securities Working Group is a federal and state law enforcement effort focused on investigating fraud and abuse in the RMBS market that helped lead to the 2008 financial crisis and the federal government's subsequent bailout. The RMBS Working Group brings together attorneys, investigators, analysts and staff from dozens of state and federal agencies including the Department of Justice, U.S. Attorneys' Offices, the FBI, the Securities and Exchange Commission, the Department of Housing and Urban Development (HUD), HUD's Office of Inspector General, the Federal Housing Financing Agency-OIG, the Office of the Special Inspector General for the Troubled Asset Relief Program, the Federal Reserve Board's Office of Inspector General, the Recovery Accountability and Transparency Board, the Financial Crimes Enforcement Network, and State Attorneys General Offices around the country.

Indictment Charges Three Former Nomura RMBS Traders with Fraud and Conspiracy

On September 3, 2015, a federal grand jury returned a 10-count indictment against Ross Shapiro, Michael Gramins and Tyler Peters, charging conspiracy, securities fraud, and wire fraud. Shapiro, Gramins, and Peters were bond traders who supervised the Residential Mortgage Backed Securities (RMBS) Desk at Nomura Securities International (Nomura) in New York. Shapiro was the Managing Director who oversaw all of Nomura's trading in RMBS. Gramins was the Executive Director of the RMBS Desk and principally oversaw Nomura's trading of bonds composed of sub-prime and option ARM loans. Peters was the senior-most Vice President of the RMBS Desk and focused primarily on Nomura's trading of bonds composed of prime and alt-A loans.

The government alleges that Shapiro, Gramins and Peters engaged in a conspiracy to defraud customers of Nomura by fraudulently inflating the purchase price at which Nomura could buy a RMBS bond, in order to induce their victim-customers to pay a higher price for the bond. They also are alleged to have fraudulently deflated the price at which Nomura could sell a RMBS bond, in order to induce their victim-

customers to sell bonds at cheaper prices. Such actions caused Nomura and the three defendants to profit illegally. The government further alleges that the defendants trained their subordinates to lie to customers, provided them with the language to use in deceiving customers, and encouraged them to engage in the practice. In one instance, one of the defendants' subordinate traders told a salesperson that he "lied" about the price of a bond and "marked up 2 pts," to which the salesperson responded, "haha sick...well played."

The defendants are also alleged to have colluded with at least one outside client to deceptively broker trades on their behalf. In one instance, an investment advisor for another firm concocted a false story with Shapiro to tell to customers. According to the indictment, he wrote to Shapiro asking, "when did I buy [the bond] and at what price?"

The victims of this scheme include funds from around the world, retirement plan providers and a Trouble Asset Relief Program fund manager.

If convicted, all three defendants face up to 20 years' imprisonment on each count of wire and securities fraud.

Financial Fraud and Public Corruption

RMBS

RBS Supervisor Pleads Guilty to Conspiracy to Commit Multimillion Dollar Securities Fraud

Between July 2008 and approximately 2014, Adam Siegel was the Co-Head of U.S. Asset-Backed Securities, Mortgage-Backed Securities and Commercial Mortgage-Backed Securities trading at RBS Securities Inc. During approximately the same period, Matthew Katke was a registered broker-dealer and managing director at RBS Securities, Inc. RBS is a global securities firm with headquarters in Stamford, Connecticut. RBS also has a trading floor in Stamford where Siegel, Katke and others traded fixed income investment securities such as residential mortgage-backed securities and collateralized loan obligations (CLOs).

Siegel and Katke have both pleaded guilty to conspiracy to commit securities fraud.

In pleading guilty, Siegel admitted that he and others conspired to increase RBS's profits on CLO and RMBS bond trades at the expense of customers. As part of the scheme, Siegel and his co-conspirators made misrepresentations to induce buying customers to pay inflated prices and telling customers to accept deflated prices for bonds, all to benefit RBS.

The conspiracy was perpetrated in two ways. In certain transactions, Siegel and Katke misrepresented the CLO seller's asking price to the buyer (or vice versa), keeping the difference between the price paid by the buyer and the price paid to the seller for RBS. In other transactions, Siegel and Katke misrepresented to the CLO buyer that bonds held in RBS's inventory were being offered for sale by a fictitious third-party seller, which allowed RBS to charge the buyer an extra, unearned commission.

The investigation revealed numerous fraudulent transactions by Siegel and/or Katke that cost

at least 35 victim customers, including firms affiliated with recipients of federal bailout funds through the Troubled Asset Relief Program, millions of dollars.

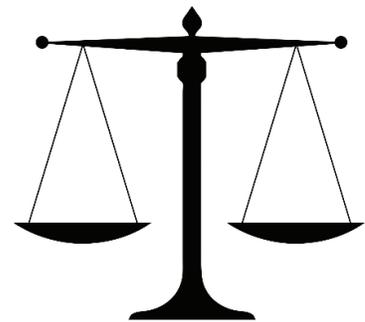
Conspiracy to commit securities fraud carries a maximum term of five years' imprisonment. Both defendants have entered into agreements to cooperate in the government's ongoing investigation.

Appellate Unit

The Appellate Unit supervises all appeals arising out of the Criminal and Civil Divisions and provides legal advice on a range of issues to the Office. Sandra S. Glover serves as Chief of Appeals and Marc Silverman is the Deputy Chief.

In 2015, the Appeals Unit reviewed 47 briefs and 30 motions that were filed in the Second Circuit and also prepared AUSAs for 23 oral arguments. While we have yet to receive rulings in many of these matters, the government prevailed (at least in substantial part) in 35 of the 39 decisions that have been issued up to this point. Some highlights of the government's appellate advocacy include:

- Two government appeals. In *United States v. Bohannon*, the government appealed the district court's ruling suppressing evidence recovered when officers arrested a defendant in the home of a third party. In *United States v. Faux*, the government appealed the district court's suppression of the defendant's inculpatory statements provided during an interview conducted at the defendant's home while law enforcement officers executed a search warrant at that home.
- The government briefed and argued one en banc matter. In *United States v. Ganias*, the government argued that it could retain an image of a computer hard drive obtained pursuant to a search warrant throughout the investigation and prosecution. Moreover, the government argued that based on a new search warrant grounded in independent probable cause, it could search that retained image for evidence of additional criminal activity.
- The government defended a death penalty prosecution and verdict in *United States v. Aquart*.
- In a mixed decision in *United States v. Litvak*, the Second Circuit remanded a securities fraud prosecution for a new trial on evidentiary grounds. But the Court also upheld the government's theory of the prosecution, that a bond trader's lies in the opaque RMBS market could be material to the bond buyers and sellers. That holding clears the way for further investigations and prosecutions in this critical area.



Civil Division **Introduction**

The Civil Division is comprised of three units and handles a wide variety of cases where the United States and its employees are plaintiffs or defendants. The Chief of the Civil Division is John B. Hughes, who has responsibility for the supervision of all Civil Division AUSAs and the operation of the Civil Division.

The Affirmative Enforcement Unit pursues claims on behalf of the United States in cases involving health care fraud, defense contractor fraud, False Claims Act violations, and asset forfeitures, as well as civil rights and environmental violations. The Chief of the unit is Assistant U.S. Attorney Richard M. Molot.

The Defensive Unit defends claims filed against the United States, including tort, medical malpractice, employment discrimination, immigration litigation, foreclosures, and social security disability appeals. The Defensive Unit also defends claims brought against individual federal employees (“*Bivens*” claims). The Chief of the unit is Assistant U.S. Attorney Michelle McConaghy.

The Financial Litigation Unit, headed by Assistant U.S. Attorney Christine Sciarrino, is responsible for collecting debts owed to the United States, including criminal fines, judgments, and assessments, as well as civil penalties, judgments, and settlements.

Over the last few years, the Civil Division has prioritized its Civil Rights enforcement program to enforce federal statutes prohibiting discrimination on the basis of race, color, sex, disability, religion, familial status, and national origin, and to recover damages for victims of civil rights violations. The majority of the civil rights cases are brought to enforce the Americans with Disabilities Act, the Fair Housing Act, the Religious Land Use and Institutionalized Persons Act, and the Civil Rights of Institutionalized Persons Act.

In addition to the prosecutors already named, the Civil Division is comprised of paralegals, legal assistants, and other specialists, as well as the following AUSAs: Vanessa Avery, William Collier, Brenda Green, Carolyn Ikari, John Larson, Ndidi Moses, Lauren Nash, David Nelson, Alan Soloway, David Sullivan, Anne Thidemann, and Julie Turbert.

— Contact Information —

John Hughes: john.hughes@usdoj.gov.

Richard Molot: richard.molot2@usdoj.gov.

Michelle McConaghy: michelle.mcconaghy@usdoj.gov.

Civil Division—Affirmative Unit **False Claims Act Litigation**

False Claims Act

The False Claims Act (FCA), 31 U.S.C. §§ 3729 - 3733 was enacted in 1863 by a Congress concerned that suppliers of goods to the Union Army were defrauding the government. In very general terms, the FCA holds liable any person who knowingly submits a false claim to the government or causes another to submit a false claim to the government or knowingly makes a false record or statement to get a false claim paid by the government. The FCA also has a “reverse false claims section” that provides liability where one engages in conduct to avoid having to pay money back to the government.

Ambulance Companies Pay \$595,000 to Settle FCA Suit

In May 2015, Nelson Ambulance Service, located in North Haven, and Access Ambulance Service, located in Bridgeport, which are under



the same ownership, agreed to pay \$595,000 to resolve allegations that they improperly billed the Medicare and Medicaid programs. The investigation revealed that the ambulance companies routinely billed Medicare and Medicaid for non-emergency, scheduled ambulance services that were not medically necessary. Specifically, Nelson and Access would transport patients from their residences or nursing homes by ambulance to and from dialysis treatment three times per week at an average cost of \$380 per round trip, even though the patients did not meet the criteria of being “bed confined” or otherwise have a medical condition requiring transportation by ambulance. In fact, some of the same patients were otherwise transported to doctor’s visits utilizing a wheelchair van at an average cost of \$60 per round trip.

Ridgefield Doctor Pays \$218,633 to Settle FCA Allegations

On June 18, 2015, Ridgefield physician Dr. Edward Berman agreed to pay \$218,633 to settle allegations that he violated the FCA by fraudulently submitting claims to Medicare for skilled nursing facility services that were not performed in accordance with Medicare requirements. The government alleged that Berman “upcoded” certain services, that is, submitted claims to Medicare by using a higher-paying billing code when services with lower-paying billing codes were actually provided. The \$218,633 payment was made to reimburse the Medicare programs for conduct occurring between January 1, 2008, through March 4, 2014.



Civil Division—Affirmative Unit **False Claims Act Litigation**

Government Settles FCA Allegations Against American Access Care Holdings, LLC for \$3.5 Million

On September 28, 2015, American Access Care Holdings, LLC, (AAC) entered into a civil settlement agreement with the government in which AAC agreed to pay \$3,594,791 to resolve allegations that it violated the False Claims Act.

Prior to its merger with Fresenius Vascular Care, Inc. (Fresenius) in October 2011, AAC operated vascular access centers in the United States, including one in Fairfield. Among other services, vascular access centers address complications with dialysis access for patients with kidney disease. The investigation revealed that between January 2007 and September 2011, AAC improperly billed Medicare and Medicaid for multiple percutaneous transluminal angioplasties performed during the same patient encounter. The investigation further revealed that between October 2005 and September 2011, AAC improperly submitted claims to Medicare and Medicaid for procedures performed during follow-up visits that were not medically necessary.

The Connecticut settlement is related to a parallel resolution of claims against AAC by the U.S. Attorney for the District of Rhode Island, and follows a third settlement against the company in the Southern District of Florida.

Stamford Podiatrist Pleads Guilty to Submitting False Medicare Claims, Also Pays 288k in Civil Settlement

On October 5, 2015, Amira Mantoura was convicted of making a false statement to the Medicare program by submitting false claims to Medicare, Medicaid, and private insurance companies. As a podiatrist, Mantoura was fully aware of and understood the procedure to perform a “nail avulsion,” a surgical procedure to treat an ingrown toenail. Between January 2009 and August 2013, Mantoura repeatedly submitted materially false claims to the Medicare program and to private insurance companies claiming to have performed nail avulsions when Mantoura had merely clipped her patients’ toenails. Mantoura was paid a combined total of approximately \$195,000 from these false claims.

On March 1, 2016, Mantoura was sentenced to serve three years’ probation, to perform 200 hours of community service, to pay approximately \$64,000 in restitution to private health insurance plans, and to pay approximately \$554,538 in restitution to the government. In total, Mantoura was ordered to pay \$618,000, or three times the amount she gained from her fraud.



Individuals who suspect health care fraud can report it by calling the Health Care Fraud Task Force at (203) 777-6311 or 1-800-HHS-TIPS.

Civil Division—Affirmative Unit **Controlled Substances Act**

Stamford Pharmacy Pays \$45,000 to Settle Allegations Under Controlled Substances Act

On April 21, 2015, Stamford Pharmacy, located on High Ridge Road in Stamford, agreed to pay \$45,000 to resolve allegations that it violated civil provisions of the Controlled Substances Act.

Specifically, Congress, with the passage of the Controlled Substances Act, took steps to create “a closed system” of distribution for controlled substances in which every facet of the handling of the substances, from their manufacture to their consumption by the ultimate user, was to be subject to intense governmental regulation. This mission was taken against the backdrop of trying to prevent the diversion and abuse of legitimate controlled substances while at the same time ensuring an adequate supply of those substances needed to meet the medical and scientific needs of the United States.

However, here, the investigation revealed that Stamford Pharmacy failed to promptly file theft and loss reports of controlled substances with the DEA on at least 17 occasions, as required by law, and that the pharmacy failed to keep current, complete, and accurate records of each controlled substance purchased and dispensed.



Act Allegations for \$150,000

Cheryl Karcher, M.D. is a plastic surgeon associated with Sadick Dermatology in New York. The allegations against her involved claims that she wrote at least 15 prescriptions for Percocet, a Schedule II controlled substance, outside the course of her normal medical practice. The 15 prescriptions, which were filled at pharmacies in Connecticut, were not dispensed to the individuals whose name was on the prescriptions.

On December 3, 2015, Karcher entered into a civil settlement agreement with the government in which she agreed to pay \$150,000 to resolve allegations that she violated civil provisions of the Controlled Substances Act.

Plastic Surgeon Settles Controlled Substances

Civil Division—Affirmative Unit Contract Fraud

Company With Federal and State Contracts Pays \$390,000 to Resolve Allegations it Had Unqualified Employee

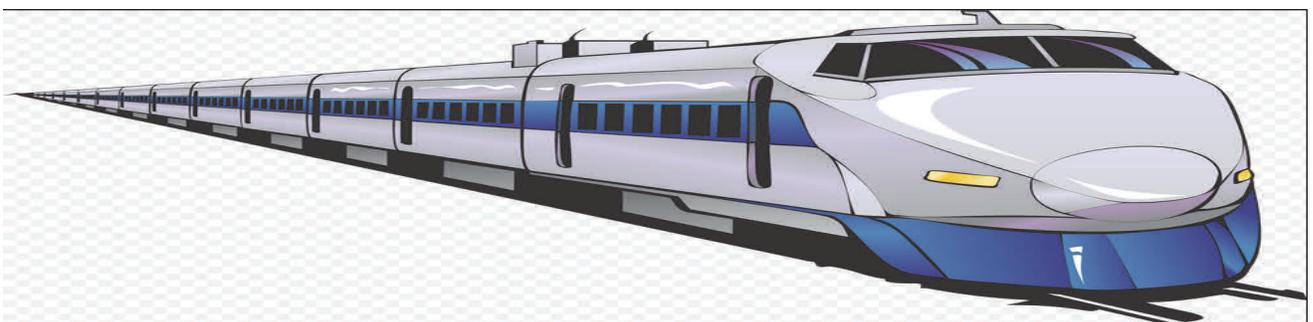
Garg Consulting Services (Garg) provided construction management and inspection services as a contractor or subcontractor for Connecticut Department of Transportation (CONNDOT) projects and for the National Railroad Passenger Corporation (Amtrak). The contracts and subcontracts entered into by Garg required that the company provide qualified personnel to work on the CONNDOT and Amtrak projects. In addition, both CONNDOT and Amtrak were contractually reliant on Garg to provide qualified personnel.

In 2007, an individual applied for employment with Garg and represented that he was a college graduate with a degree in civil engineering management and with an Engineer-in-Training (EIT) certification from the State of Connecticut. If appropriate employee screening had been done, Garg would have learned that the individual had not graduated from college and had never sought or obtained EIT certification.

The employee worked at Garg from May 2007 to May 2010. During that time, Garg was a contractor or subcontractor on several federal and state highway and bridge projects. The employee also worked on a Garg subcontract for engineering consulting and professional services related to Amtrak's replacement of the movable span on

the Thames River Bridge. On the CONNDOT and Amtrak projects, Garg submitted payroll invoices for work performed by the company's employees, including for work performed by the unqualified employee.

On June 29, 2015 Garg agreed to pay \$390,000 to the federal government and the State of Connecticut to resolve the allegations that the company failed to authenticate the employee's purported educational credentials and professional certification before hiring and assigning him to work on various U.S. Department of Transportation-funded and state-funded highway projects, and on the bridge reconstruction project funded by Amtrak.



Civil Division—Affirmative Unit **Health Care Fraud**

Connecticut Medical Equipment Company Pays \$600,000 to Settle False Claims Act Allegations

J&L Medical (J&L) is a durable medical equipment company located in Middlebury, Connecticut. J&L provides Continuous Positive Airway Pressure (CPAP) and Bilevel Positive Airway Pressure (BiPAP) devices and accessories to Medicare and Medicaid beneficiaries who have been diagnosed with obstructive sleep apnea. As a result of an investigation, the government alleged that J&L improperly utilized the services of unlicensed technicians to provide respiratory therapy services to Medicare and Medicaid beneficiaries, including setting up CPAP and BiPAP machines, fitting the patients with the masks used with those machines, and educating the patients about the use of the machines.

Because the practice of respiratory therapy is a licensed activity, the services in question could only be legally performed by licensed respiratory therapists. To resolve the allegations under the federal and state False Claims Acts, J&L agreed to pay \$600,000, which covered conduct occurring from January 1, 2008 through May 15, 2013. As part of the settlement, J&L also agreed to implement a compliance program intended to prevent and detect fraud, waste, and abuse in claims submitted by the company to the Connecticut Medicaid program.

The complaint against J&L was filed under the whistleblower provisions of the both the federal and state False Claims Acts. The whistleblower, a former employee of J&L and a licensed respiratory therapist, received a \$102,000 share of the settlement.

United States Obtains \$154,000 Judgment Against Connecticut Podiatrist

The United States filed a civil action against Dr. Samir Zaky, a podiatrist, alleging that Zaky and his corporation, Affiliated Podiatrists, fraudulently submitted claims to Medicare for procedures and podiatric services that were not performed and/or were not medically necessary, including, among other procedures, nail avulsions.

In a related criminal proceeding, a jury found Zaky guilty of 14 counts of health care fraud and 14 counts of false statements relating to a health care matter, for intentionally submitting false claims to Medicare for 14 avulsion services. Based upon the criminal convictions, the United States filed a motion for partial summary judgment under the False Claims Act. The district court held Zaky liable for the maximum statutory civil penalties and entered a \$154,000 judgment in favor of the United States.

Civil Division—Affirmative Unit Procurement Fraud

Engine Component Supply Company pays \$280,000 to Settle FCA Allegations

Aero Gear Inc., a company located in Windsor, Connecticut, designs, engineers, and manufactures gears and gearbox assemblies for the aerospace industry. The United States contended that Aero Gear engaged in improper conduct from 2006 to 2012 related to contracts Aero Gear had to supply technology to support the Army's legacy aircraft fleet.

The alleged improper conduct included: (a) the mischarging of labor hours for work unrelated to the contracts and (b) the use of specialized equipment—that was purchased pursuant to the contracts—for industrial work unrelated to the purposes of the contracts. According to restrictions set forth in the contracts and in applicable regulations, all work performed with the specialized equipment was required to be contract-related. The parties settled the matter for \$280,000.



Civil Division—Affirmative Unit

Asset Forfeiture

Another aspect of the affirmative/litigation efforts of the Office is civil forfeiture. While there are many assets forfeited in connection with criminal prosecutions, there are also many assets forfeited through separate civil proceedings. In 2015, the Office recovered approximately \$4.5 million in both civil and criminal forfeitures. A sampling of these recoveries is set forth below.

- On August 3, 2015, Alan Wilson pleaded guilty to possession with intent to distribute marijuana. The charge arose after law enforcement executed a search warrant at Wilson's property at 15 Mead Street in Stamford, wherein they found approximately nine pounds of marijuana, loaded firearms and packaging materials. In the related civil forfeitures action, Wilson agreed to forfeit \$200,000 in lieu of forfeiting his property.
- In February 2014, law enforcement officers searched Fred Whitaker's Hartford residence and his vehicle and recovered crack cocaine, cash and bank records establishing that Whitaker had over \$200,000 spread throughout numerous bank accounts. The United States sought civil forfeiture of the money. Whitaker agreed to the forfeiture of \$128,250.
- On November 13, 2014, law enforcement executed two search warrants at residences in East Haven and North Haven that Dennis Tondalo utilized in connection with the illegal sale of oxycodone. Officers seized narcotics and \$26,628 in cash. Law enforcement also identified bank accounts that contained more than \$200,000. The United States sought civil forfeiture of the money. Tondalo agreed to the forfeiture of \$127,172.
- In January 2014, police arrested James Costanzo at his Ansonia residence after finding him in possession of over 600 oxycodone and oxymorphone pills. Subsequently, civil forfeiture proceedings were initiated against properties Costanzo owned in Ansonia and Waterbury because they were purchased with drug proceeds. The United States also sought the forfeiture of cash and two vehicles. In February 2015, Costanzo pleaded guilty to conspiring to possess with the intent to distribute oxycodone and oxymorphone and to engaging in a monetary transaction using criminally derived property to purchase the Ansonia property. Costanzo also agreed to civil forfeiture of the two real properties, approximately \$50,000, and two vehicles.
- On January 29, 2015, Lawrence J. Herzing the controller of Contrarian Capital Management, LLC, a hedge fund in Greenwich, was convicted of embezzling more than \$9 million, \$2,575,000 of which he used to purchase a residence on 329 Riversville Road in Greenwich. Herzing agreed to forfeit the Greenwich property and \$1.6 million in assets.
- Robert E. Lee, Jr., an Oxford based financial advisor, ran a Ponzi scheme through which he stole more than \$1 million. The United States was successful in obtaining civil forfeiture of \$358,077 that Lee had received in an early life insurance payout.

Civil Rights Enforcement **Civil Rights Working Group**

U.S. Attorney's Office Creates Educational Opportunities Civil Rights Working Group

On January 12, 2015, the U.S. Attorney's Office announced the formation of the Educational Opportunities Civil Rights Working Group to address civil rights violations by public and private educational institutions, afterschool programs, summer camps and day care centers.

Our Office regularly receives complaints from concerned parents and caregivers alleging that their children were discriminated against by schools, afterschool programs, and summer camps because of the child's disability, gender, gender identity, or limited ability to speak English. The Office also has received an increasing number of complaints about bullying, sexual harassment, and school segregation in public and private schools. The Office has settled cases against schools, afterschool programs, and day care centers for violations of the Americans with Disabilities Act and the Equal Educational Opportunities Act of 1974. These settlements have resulted in monetary settlements to parents, comprehensive training for providers, and sweeping policy changes to entire educational programs and systems.

Recognizing a greater need to help prevent civil rights violations in educational and camp settings, we partnered in 2015 with federal and state agencies and advocacy groups to form the Working Group. Participants include the U.S. Department of Health and Human Services, U.S. Department of Education, Connecticut Department of Education, Commission on Human Rights and Opportunities, Connecticut Office of

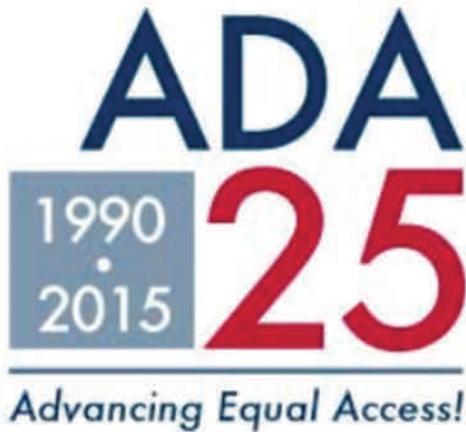
Protection and Advocacy for Persons with Disabilities, African American Affairs Commission, Latino and Puerto Rican Affairs Commission, Asian Pacific American Affairs Commission, National Association for the Advancement of Colored People, Connecticut Children's Medical Center, Connecticut Center for Children's Advocacy, Connecticut Afterschool Network, Connecticut Recreation and Parks Association and the Connecticut Summer Camp Network.

Other outreach initiatives include:

- **Statewide Bank Compliance Review:** We have a compliance review of all state-based banks related to the provision of telecommunication relay services, and we are conducting training with the CT Department of Banking with all banks and credit unions.
- **Voting Referendum Review:** We are reviewing how each town or city in Connecticut handles referendum voting to ensure compliance with the ADA.
- **Hospital Effective Communication:** We are working with the CT Hospital Association to conduct training for all hospitals on effective communication this spring.

To contact the Educational Opportunities Civil Rights Working Group, please call the hotline at 203-821-3836.

Civil Rights Enforcement ADA Litigation



The Americans with Disabilities Act (ADA) was signed into law on July 26, 1990. The ADA is one of America's most comprehensive pieces of civil rights legislation that prohibits discrimination and guarantees that people with disabilities have the same opportunities as everyone else to enjoy employment opportunities, to purchase goods and services, and to participate in state and local government programs and services. Modeled after the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, religion, sex, or national origin, the ADA is an “equal opportunity” law for people with disabilities.

To be protected by the ADA, one must have a disability, which is defined by the ADA as a physical or mental impairment that substantially limits one or more major life activities, a person who has a history or record of such an

impairment, or a person who is perceived by others as having such an impairment. The ADA does not specifically name all of the impairments that are covered. The following are some of the significant civil rights matters and cases handled in 2015.

Quinnipiac University

On January 12, 2015 the government reached a settlement with Quinnipiac University, a private, coeducational university located in Hamden, Connecticut, to resolve allegations that the university violated the Americans with Disabilities Act. The matter stemmed from a complaint from a student who sought mental health counseling at the university. When the student was diagnosed with depression, the university placed her on a mandatory medical leave of absence without first considering options for the student's continued enrollment. After the student was removed, she requested a tuition refund, which Quinnipiac denied.

Following the investigation, it was determined that Quinnipiac violated Title III of the ADA by discriminating against the student due to her disability. Specifically, Quinnipiac placed the student on leave without considering modifications to its mandatory medical leave

policy that may have enabled the student to complete her course work, while living off campus, by attending classes online or in person.

Under the settlement agreement, Quinnipiac agreed to pay the complainant \$17,000 to compensate her for emotional distress, pain, and suffering, and \$15,126 to pay off the loan she obtained to pay tuition to Quinnipiac. Quinnipiac also agreed to implement a policy stating that it will not discriminate against applicants or students on the basis of disability, including persons with mental health disabilities, and to examine what modifications it can make to allow students with mental health disabilities to continue to participate in educational programs and attend their classes while seeking treatment. The university also will provide training on Title III of the ADA, with a focus on mental health-related disability discrimination, to all staff.

Civil Rights Enforcement

ADA Litigation — Access For All Citizens

St. Francis Hospital

In March 2015, the U.S. Attorney's Office and the U.S. Department of Health and Human Services, Office for Civil Rights (OCR), entered into a voluntary resolution agreement with St. Francis Hospital and Medical Center in Hartford to ensure effective communication with and enhance the quality of services for persons who are deaf or hard of hearing.

The matter was initiated by a complaint filed by an individual who alleged that St. Francis Hospital failed to provide auxiliary aids and services when necessary to ensure effective communication with him during multiple admissions to the hospital.

In cooperation with DOJ, OCR initiated a compliance review of St. Francis Hospital with regard to its policies and procedures for ensuring effective communication with individuals who are deaf or hard of hearing to determine whether the hospital was in compliance with Section 504 of the Rehabilitation Act of 1973. Section 504 of the Act prohibits discrimination on the basis of disability in any program or activity receiving federal financial assistance.

Under the agreement, which resolves both the DOJ complaint investigation and OCR compliance review, St. Francis Hospital agreed to revise its policies and procedures as necessary, revise its training as necessary, and perform an assessment of the need for auxiliary aids and services for patients and their companions. St. Francis Hospital also agreed to pay the complainant \$45,000 in compensatory relief.

The agreement is effective for three years, during which time both OCR and the U.S. Attorney's Office will monitor St. Francis Hospital's compliance.

ADA Hotel Survey

Under federal law, private entities that own or operate "places of public accommodation," which includes hotels, are prohibited from discriminating on the basis of disability. The ADA authorizes the U.S. Department of Justice to investigate complaints and to undertake periodic reviews to determine compliance by covered entities. The Justice Department is also authorized to commence a civil lawsuit in federal court in any case that involves a pattern or practice of discrimination or that raises issues of general public importance, and to seek injunctive relief, monetary damages, and civil penalties.

Accordingly, in 2015, the U.S. Attorney's Office conducted a review of hotels in the New Haven area to determine if they were being operated in compliance with the ADA. As part of a compliance review survey, 12 randomly selected New Haven area hotels were asked to complete and return a survey form. Onsite inspections to confirm survey responses were then conducted and each hotel was reviewed for its compliance. Six of the surveyed hotels were found to have ADA violations. The government worked with the owners and operators of each hotel found in violation in an effort to secure voluntary compliance. To date, three of the six hotels found in violation, the La Quinta Inn and Suites, Courtyard Marriott and New Haven Hotel, entered into settlement agreements with the government and are working cooperatively with the government to address the violations. The government continues to work with the three remaining hotels to secure voluntary compliance agreements, as well.

Civil Rights Enforcement

ADA Litigation — Access For All Citizens

Patriot National Bank

In May 2015, the Office reached a settlement with Stamford-based Patriot National Bank resolving an ADA complaint filed by an individual who is hard of hearing who alleged that Patriot National Bank would not do business with her over the phone using a telecommunications relay service. After the commencement of the investigation, Patriot National Bank worked cooperatively to develop and amend its policies and practices to comply with the ADA and the Department of Justice's implementing regulations. The agreement requires Patriot Bank to accept all relay calls in all of its branches and amend its policies, practices, and training to ensure the removal of barriers to access at its retail stores.

Wallingford Police Department

In May 2015, the U.S. Attorney's Office and the Wallingford Police Department entered a settlement agreement whereby the department voluntarily agreed to implement training and ensure its policies comply with the ADA following allegations that the department failed to effectively communicate with persons who are deaf and hard of hearing. The department has posted a notice of its enhanced policy in public areas, has committed to providing effective communication for people with communication disabilities, including the provision of sign language interpreters, and ensured that appropriate auxiliary aids and services, including qualified interpreters, and specifically tactile interpreters, are made available to all individuals who are deaf or hard of hearing.

Connecticut Department on Aging

On December 28, 2015, the U.S. Attorney's Office reached a settlement with Connecticut's State Department on Aging to resolve an ADA complaint filed by an individual who is deaf and who alleged that the State Department on Aging

failed to provide effective communication during certain programs and meetings. Pursuant to the agreement, the State Department on Aging agreed to ensure its policies and practices are nondiscriminatory, and to provide effective communication for people with communication disabilities, including the provision of sign language interpreters; posting a notice of the policy in public areas; training staff on the policies; and ensure that appropriate auxiliary aids and services, including qualified interpreters, and specifically tactile interpreters, are made available to all individuals who are deaf or hard of hearing.

Webster Bank

On November 25, 2015, the U.S. Attorney's Office reached an agreement with Webster Bank to resolve an ADA complaint filed by an individual who is deaf and who alleged that Webster Bank would not do business with him using a video relay service. Webster Bank has worked cooperatively with the United States Attorney's Office to develop and amend its policies and practices to comply with the ADA and the Department of Justice's implementing regulations. The agreement requires Webster Bank to accept video relay calls in all of its branches and to amend its policies, practices and training to ensure the removal of barriers to access at its branches.

Individuals who believe that they may have been victims of discrimination can file a complaint with the U.S. Attorney's Office by calling 203-821-3700 or by visiting www.ada.gov. More information about the Civil Rights Division and the laws it enforces is available at www.justice.gov/crt. Additional information about the ADA can be found at www.ada.gov, or by calling the Department's toll-free information line at (800) 514-0301 and (800) 514-0383 (TDD).

Civil Division—Defensive Unit

In 2015, the Office appeared in approximately 75 new matters to defend government agents and agencies, and approximately 200 new social security cases. In total, plaintiffs in non-frivolous tort and medical malpractice made demands for a combined total of \$55,470,613. The United States settled the cases for a combined total of \$6,093,625.

A sampling of these cases is set forth below.

In re: Medical Malpractice Claim

In this Federal Tort Claims Act suit, the plaintiff sued the United States in his individual capacity and as the administrator of the estate of his late wife. The plaintiff alleged that the Community Health Center in Norwalk failed to diagnose and timely treat his wife's nasopharyngeal cancer, resulting in metastasis and ultimately her death.

Specifically, in January 2012, the decedent was diagnosed with Stage IV-C nasopharyngeal cancer. The cancer had already metastasized to the base of her skull and spine and was inoperable as of the date of diagnosis. She was 22 years old at the time of her death, and was survived by her husband and two young children, ages 3 and 5. Following extensive discovery, including the depositions of treating physicians at the CHC, Yale Smilow Cancer Center and Dana-Farber Cancer Institute, and depositions of the plaintiff's experts from Johns Hopkins, Duke and Michigan, the parties settled the case for a fraction of the amount of damages initially demanded. The case has been dismissed, with prejudice, pursuant to a stipulation of the parties.

Jane Does v. Westbrook

In 2014 and 2015, approximately 18 administrative claims were brought by various female patients who alleged they were assaulted by Dr. Tory Z. Westbrook, a physician at the Community Health Center in Clinton, who was convicted of sexually assaulting five of his patients.

The United States did not represent the doctor and did not defend him for his alleged criminal conduct. Instead, the United States represented the Health Center against claims that it breached its independent duty to protect patients.

Prior to complaints being filed in federal court, the U.S. Attorney's Office facilitated several global settlement conferences which were attended by the plaintiffs, their counsel, and attorneys from the Department of HHS. In 2015, all administrative claims were resolved.

Weston v. United States

In this Federal Tort Claims Act suit, the plaintiff, who claimed he was a United States citizen, alleged that the Immigration and Customs Enforcement Agency unlawfully detained him from November 10, 2010 until February 28, 2012. The plaintiff alleged false arrest, false imprisonment, vexatious suit, abuse of process, intentional infliction of emotional distress, negligent supervision, negligent training, and civil conspiracy. He sought millions of dollars in damages.

After the Office raised several viable defenses, the case settled for a reasonable figure.

Civil Division—Defensive Unit

In re: sexual assault at VA

In this Federal Tort Claims Act suit, the plaintiff filed a complaint alleging that she was sexually assaulted by an employee at the United States Department of Veterans Affairs Connecticut Healthcare System in West Haven (VA). The plaintiff claimed that the United States was negligent because it failed to warn her about the employee's alleged sexually aggressive tendencies and because it did not have an adequate surveillance system. The United States interposed the following defenses: 1) the United States cannot be liable for the intentional criminal conduct of an employee; 2) plaintiff could not state a claim for negligent hiring, supervision and retention; and 3) the VA should be immune from suit for any claims regarding the security at the facility as the VA has absolute discretion in determining what security measures are needed within its facility.

While the government's motion to dismiss was pending, the plaintiff agreed to amend her complaint to allege a single count of failure of a duty to protect. Following the dismissal of many of the claims, the parties engaged in early settlement discussions, and settled the matter for a fair amount.

In re: Medical Malpractice Claim

During an 18-month-old's well visit to the Community Health Center, the child's mother complained of the child's left eye issues. A referral was made to an ophthalmologist. But the minor plaintiff was not seen by a specialist for six months because the family had no health insurance, and there were no pediatric ophthalmologists employed by any Community Health Centers in Connecticut. Ultimately, the minor plaintiff was diagnosed with retinoblastoma and had to have her eye enucleated. The doctor who initially examined the child was an independent contractor and was represented separately. After taking several depo-

sitions and the production of numerous documents, the plaintiffs agreed that no employee of the Community Health Center violated the standard of care. The plaintiffs voluntarily dismissed the United States from the case in May 2015.

In re: Medical Malpractice Claim

In this medical malpractice case filed pursuant to the Federal Tort Claims Act, the plaintiffs sought \$10 million for alleged injuries to their child during birth. The plaintiffs alleged that the prenatal care and delivery of their baby resulted in the baby suffering a shoulder dystocia and a permanent injury to the baby's right arm. Prenatal care was provided by Optimus Health Care, and the baby was delivered at Bridgeport Hospital.

The United States substituted itself as the proper defendant for Optimus, a federally funded health center, pursuant to the Federally Supported Health Centers Assistance Act.

When suing the United States under the FTCA, a plaintiff must first present an administrative claim within two years of the alleged negligence to the proper federal agency (here the Department of Health and Human Services). If a plaintiff fails to do so, the court lacks jurisdiction.

Here, plaintiffs' counsel did not timely serve the tort claim on the agency, and the district court granted the government's motion to dismiss. When Bridgeport Hospital attempted to keep the United States in the case, first through the filing of a third party apportionment complaint and then by filing a claim sounding in contribution and indemnification, the court rejected the hospital's efforts.

Civil Division—Defensive Unit **Employment Suits**

Ware v. Donahue

In an employment discrimination complaint, the plaintiff alleged that the United States Postal Service discriminated against him because of his color (black), race (African-American), gender (male), and age (52), and, moreover, that he was retaliated against because he had filed an Equal Employment Opportunity complaint. The Postal Service moved for summary judgment, arguing that the plaintiff failed to: (1) provide evidence to support a *prima facie* case of discrimination or retaliation and (2) present evidence that the Postal Service's reasons for its actions were a pretext for discrimination. The district court granted summary judgment in favor of the government on all of the plaintiff's claims. On June 9, 2015, the Court of Appeals affirmed the summary judgment ruling.

Financial Litigation Unit

Civil Collections: The Financial Litigation Unit enforces collection of civil debts on behalf of federal agencies in litigation that most often involve federal loan programs, civil penalties assessed by federal agencies and civil fraud actions litigated by the United States Attorney's Office.

Criminal Collections: In every federal criminal case, a special assessment is imposed upon each individual or corporate defendant. In addition, a criminal fine and/or restitution to victims are often imposed upon the defendant. All special assessments, criminal fines and restitution payments that are collected are then disbursed either directly to victims identified through the prosecution of the case, or to the National Crime Victims Fund, which disburses grants to various victims' groups across the country, including victims organizations in Connecticut.

United States v. Frankel

After Martin Frankel was convicted of wire fraud, securities fraud and RICO violations, the court ordered Frankel and several co-defendants to pay more than \$200 million in restitution, \$60 million of which has been collected through civil forfeiture cases and paid to insurance company victims. The Financial Litigation Unit also recently recovered an additional \$1 million on behalf of Frankel's victims. The money was seized from an account that had been frozen in an Italian bankruptcy case because the money was connected to Frankel's criminal activity in the United States.

Office Collects More Than \$14 Million for U.S. Taxpayers in Fiscal Year 2015

The largest civil collections are recovered from affirmative civil enforcement cases. In such cases the United States recoups government money lost to fraud or other misconduct or collects fines imposed on individuals or corporations for violations of federal financial, health, safety, civil rights and environmental laws. In addition, civil debts are collected on behalf of several federal agencies, including the U.S. Department of Housing and Urban Development, Health and Human Services, Internal Revenue Service, Small Business Administration and Department of Education.

Attorney General Loretta E. Lynch announced in December 2015 that the Justice De-

partment collected \$23.1 billion in civil and criminal actions in the fiscal year ending September 30, 2015.

In Fiscal Year 2015, our Office collected \$14,215,633 in criminal and civil actions. Of this amount, \$4,729,959 was collected in criminal actions and \$9,485,674 was collected in civil actions. Additionally, we collected \$27,311,898 in cases pursued jointly with other U.S. Attorney's Offices and components of the Department of Justice. Of this amount \$26,990,944 was collected in civil actions.

In addition, in Fiscal Year 2015, our Office, working with partner agencies and divisions, collected \$4,443,273 in asset forfeiture actions. Forfeited assets deposited into the Department of Justice Assets Forfeiture Fund are used to restore funds to crime victims and for a variety of law enforcement purposes.

USAO District of Connecticut Programs

Victim-Witness Assistance

Victim Witness Assistance

The goal of the Connecticut Federal Victim/Witness Assistance Program is to ensure that victims of federal crime are treated with fairness and respect for the victim's dignity and privacy. The program carries out the mandates of the Federal Victim and Witness Protection Act of 1982, the Crime Control Act of 1990, the Violent Crime Control and Law Enforcement Act of 1994 and the Justice for All Act of 2004. These laws apply to all victims and witnesses of federal crime who have suffered physical, financial, or emotional trauma.

Victims of all crimes under federal investigation are entitled to services under the Victims' Rights and Restitution Act (VRRRA), including notification of court events. For further details, please refer to Title 42, United States Code, section 10607, or the VRRRA link posted at <http://www.notify.usdoj.gov>.

A federal crime victim has the following rights:

- To be reasonably protected from the accused
- To reasonable, accurate, and timely notice of any public court proceeding, or any parole proceeding, involving the crime or of any release or escape of the accused
- Not to be excluded from any such public court proceeding, unless the court, after receiving clear and convincing evidence, determines that testimony by the victim would be materially altered if the victim heard other testimony at that proceeding
- To be reasonably heard at any public proceeding in the district court involving release, plea, sentencing, or any parole proceeding
- To confer with the attorney for the Government in the case
- To full and timely restitution as provided in

law

- To proceedings free from unreasonable delay
- To be informed in a timely manner of any plea bargain or deferred prosecution agreement
- To be informed of the rights under this section and the services described in section 503 (c) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. § 10607(c)) and provided contact information for the Office of Victims' Rights Ombudsman of the Department of Justice
- To be treated with fairness and with respect for the victim's dignity and privacy

Notification Services

When a federal criminal case reaches the prosecution stage of the criminal justice process, notification services are provided concerning the status of the case involving the victim or witness. The following notifications will be made, unless the victim specifically requests not to be notified.

- The release or detention status of an offender pending judicial proceedings, or the placement in a pretrial diversion program and the conditions thereof
- The filing of charges against a suspected offender, or the proposed dismissal of any or all charges, including dismissal in favor of state prosecution
- The scheduling, including scheduling changes and/or continuances, of any public court proceeding, to include post judgment hearings (i.e., probation violations, appellate arguments)
- The terms of any negotiated plea, including the acceptance of a plea of guilty or the rendering of a verdict after trial

USAO District of Connecticut Programs Victim-Witness Assistance

- The dates of any plea, sentencing or parole hearing, and the victim's right to make a statement or present any information to the court in relation to the plea, sentence or parole of the defendant(s)
- The opportunity to present to the court a victim impact statement containing information concerning any harm, including financial, social, psychological, and physical harm done to or loss suffered by the victim of the crime
- The outcome of any trial, and the sentence imposed, to include restitution awarded

Other Services Provided

- To the extent possible, we will provide victims and witnesses with a waiting area removed from the offender and defense witnesses during court proceedings
- Provide or arrange for support and assistance to victims and witnesses during court appearances
- Upon request of a victim or witness, provide assistance in notifying the employer if cooperation in the investigation or prosecution of the crime causes his/her absence from work; and the creditors, where appropriate, if the crime or cooperation in the investigation or prosecution affects his/her ability to make timely payments
- Routinely provide information or assistance concerning transportation, parking, lodging, translation and related services
- Provide referrals to other agencies for shelter, counseling, compensation, and other types of assistance services when needed

We have taken several steps to make participation by victims of crime and witnesses more effective and meaningful. The Department of

Justice and the United States Attorney's Office for the District of Connecticut are committed to advocating, assisting and enforcing the rights of federal crime victims.



If you have any questions about our Victim Witness Program, please contact:

Ines Cenatiempo
Victim Witness Coordinator
United States Attorney's Office
Email: ines.cenatiempo@usdoj.gov

USAO District of Connecticut Programs **Law Enforcement Coordinating Committee**

Our Law Enforcement Coordination Specialist serves as the District's liaison with federal, state, and local law enforcement agencies. She provides a forum for the exchange of information, coordinates law enforcement training and serves as a point person for emerging issues within the law enforcement community. Our LEC Specialist is an active member of national and local law enforcement associations. She organizes conferences, activities, and programs on the issues that are importance to law enforcement.

Providing high quality training is a priority for the LECC. In 2015, the U.S. Attorney's Office teamed with the Connecticut Police Chiefs Association to hold the first Law Enforcement Wellness training at the Connecticut Police Academy. Our LEC continues to work closely with law enforcement and mental health professionals throughout the country to maximize resources to assist officers cope with the stress inherent in their jobs. The LEC is also an active participant in the Connecticut Police Chiefs Association, Committee for Law Enforcement Wellness.

In addition to wellness training, in 2015, the LEC organized training in the areas of "Enhancing the Investigation of Cases Involving Violence Against Women" and "Unbiased and Impartial Policing."

The LEC also monitors and publicizes the availability of DOJ funding and grants for police departments and other agencies to support programs that are consistent with DOJ priorities. Moreover, the LEC assists in preparing grant applications and providing networking opportunities with granting agencies. For example, in 2015 the LEC worked with the Justice Education Center to implement a \$300,000 grant allocated to reducing youth violence.

The LEC also works with members of local and state governmental agencies, community-based organizations, non-governmental organizations, faith-based organizations, community leaders, businesses, residents, youth, and concerned citizens. The goal is a holistic, systemic approach to addressing criminal activity in our communities by combining efforts aimed at prevention, intervention, treatment, enforcement/prosecution, and re-entry for offenders.

For more information, please contact:

Lori Vernali
Law Enforcement Coordinator
United States Attorney's Office
(860) 760-7959
Email: Lori.Vernali@usdoj.gov

USAO Outreach in 2015

In addition to the important work described above, many members of the US Attorney's Office — attorneys, support staff, and student interns — devote many hours to community outreach. This is critical work, as it helps establish and nurture relationships with the communities we serve.

As Attorney General Eric H. Holder has said, "Federal prosecutors should see themselves as community problem solvers, not case processors."

The following is a summary of our Outreach activities in 2015.

Regular events in 2015

- Project Longevity's Bridgeport Project Manager created a weekly discussion group called "Hang Time." Every Tuesday evening, a group of ex-offenders and community members get together for a meal and group conversation in an informal forum. The free-flowing discussions run the gamut from politics, race relations, black history, cultural issues, and "bucket lists," to the history of music and hip hop, to conducting oneself during an encounter with the police. The goal is to enlighten, educate and entertain the group through discussion and attempts to solve problems. Hang Time provides rival group/gang members with a neutral territory to communicate without conflict.
- Throughout 2015, the USAO collected gently-used attire to provide to individuals participating in Project Longevity who were reentering the workforce or who were otherwise disadvantaged and required career clothing.
- Education Working Group: A Civil AUSA is a facilitator, presiding over quarterly meetings, planning and coordinating group projects and initiatives.
- Members of the Office served meals monthly at a soup kitchen in New Haven.

Specific events in 2015

January 6, 2015: Annual donations gathered and delivered to the Center for Family Justice in celebration of Three King's Day. Donations collected from the Bridgeport USAO included household items (sheets, towels), baby items (diapers, wipes, etc.) and assorted art supplies all to be used at the shelters run by the Center which services many women and children in Fairfield County.

February 2015: Training for the Tribal Police regarding new developments in the Violence Against Women Act.

February 18, 2015: Members of our Hartford Office spent an evening volunteering with Foodshare, a statewide food bank.

February 19, 2015: Black History Month celebration featuring Dr. Khalilah Brown-Dean of Quinnipiac University. Prof. Brown-Dean worked on a report for the Joint Center for Political and Economic Studies about voting rights in the U.S. This year marked the 50th Anniversary of the Voting Rights Act of 1965.

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February 24-26, 2015: The USAO ran a three-day training course on BIA-CJIC Criminal Jurisdiction in Indian Country for 11 tribal police officers from Mashantucket Pequot and Mohegan Tribal Police Departments at the Mohican Police Department. Four AUSAs, two federal law enforcement officers, and a State prosecutor presented at the training.

February 27, 2015: As part of Project Longevity's ongoing outreach events, a Second Annual Black History Month celebration was conducted in Bridgeport. The keynote speaker was former Connecticut Supreme Court Justice Lubbie Harper, Jr. The event was held at Ralphola Taylor Community Center YMCA, Bridgeport.

March 20, 2015: Training event held at the Milford Police Department training facility for community leaders from New Haven involving a firearms simulation, followed by a discussion about ways to improve trust between communities and their law enforcement officers.

Spring/Summer 2015: The USAO conducted training with police departments from the U.S. Coast Guard and Veteran's Affairs. Also, throughout the year, the Office reached out to multiple veterans organizations to maintain strong working relationships and advocate for veterans rights.

April 2015: Law enforcement training for the State Police regarding Violence Against Women Act (VAWA).

April 1, 2015: The Office hosted three female leaders in Connecticut law enforcement for a panel discussion: U.S. Attorney Deirdre Daly, FBI Special Agent in Charge of the New Haven Field Office Patricia M. Ferrick, and University of Connecticut Police Chief Barbara O'Connor, in honor of Women's History Month.

April 16, 2015: Justice Collaboratory Conference at Yale on policing post-Ferguson.

May 5, 2015: Cross-training event held at the Connecticut Juvenile Training School on trust-building between youth and police from Hartford, New Haven and Bridgeport.

May 22, 2015: Speech at Kids Speak Program sponsored by the Commission on Human Rights and Opportunities. The program brings together children from area towns and cities, with a special emphasis on inner city schools, for a speech competition on civil rights.

May 28, 2015: Peace Island Institute Law Enforcement Appreciation Dinner in New Haven, at which members of the Turkish and Muslim communities honored members of law enforcement.

June and December 2015: USAO personnel attended veterans assistance fairs such as Stand Down and The Community Veterans Engagement Board's Public Forum held at Camp Niantic.

June 2015: The USAO convenes bi-monthly, informal meetings with local housing advocacy groups

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and HUD to develop a systematic plan to address housing discrimination and segregation.

June 10, 2015: Two AUSAs took fifteen students from Hartford Public High School to the Connecticut Forum at the Bushnell to meet Sarah Koenig and Julie Snyder — creators of the *Serial* podcast — after having based their Spring Semester’s moot court class on the popular podcast.

June 10, 2015: USAO partnered with EEO and Diversity Management Staff to present a guest speaker event in honor of LGBT Pride Month. We hosted Aditi Hardikar, Associate Director of the White House Office of Public Engagement and Liaison to the LGBT and AAPI Communities. This event was held in Washington, D.C. and televised live to the DOJ community nationwide. Ms. Hardikar discussed her role as an Obama Administration staffer advocating for the LGBT community.

June 11, 2015: After-action meeting following cross-training event at Connecticut Juvenile Training School, during which strategies for expanding trust-building training between youth and law enforcement were discussed.

June 25, 2015: Training event held at the Milford Police Department training facility for community leaders from Bridgeport involving a firearms simulation, followed by a discussion about ways to improve trust between communities and their law enforcement officers.

June 29, 2015: Organization of Superintendent roundtable to discuss issues impacting school aged children. Topics included language access, disability rights, violence and gangs in school, drug abuse, human trafficking, and harassment.

July 2015: Office participation in annual Feds Feed Families Food Drive.

July 7, 2015: Panelist, on behalf of the USA, at town hall meeting in New London hosted by the NAACP relating to issues of race, policing in our communities, and civil rights enforcement.

July 20, 2015: AUSA attends the 2015 National Black Prosecutors’ Association Conference and job fair in Washington, D.C.

July 21, 2015: Attorney General Loretta Lynch visits East Haven as part of a national community policing tour. Accompanied by USA Deirdre Daly, AG Lynch met with members of the East Haven Police Department, and conducted a question and answer session with children from the elementary and high schools. The day’s events ended with a roundtable discussion at the East Haven High School covering many topics including diversity, discrimination, and the progress made by the East Haven Police Department after a federal probe found discrimination by EHPD officers. In attendance were East Haven residents, Latino business owners, leaders/members of the Police Department, school leaders/children, and members of the United States Attorney’s Office.

July 24, 2015: Community Outreach Group public concert event with Hamden Police Department.

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July 30, 2015: Meeting conducted with a New London youth group and their adult leader held at the USAO to help them understand the role of the U.S. Attorney's Office and the federal government in civil rights enforcement – both civil and criminal.

August 8, 2015: Attendance at Connecticut Asian Pacific American Bar Association Annual Meeting and Awards event in Stamford.

August 15, 2015: Paralegal Specialist volunteered for Habitat for Humanity on a “women's build house” for a disabled grandmother and her grandchildren in East Hampton.

August 18, 2015: Presented on ADA at Sickle Cell Disability Rights Forum, Hartford.

August 20, 2015: Speech on behalf of the USAO at annual function of NAACP's New London group, regarding civil rights enforcement and outreach related to the community and law enforcement.

September 3, 2015: Speech given (via Webinar) for Yale Law School about DOJ programs available for recent graduates which emphasized diversity in hiring and diversity in the workplace at Main Justice, particularly as relating to the Honors Programs available for recent graduates and internship programs available for law students.

September 8, 2015: Presented on ADA at UConn Medical School Orientation, Farmington.

September 2015: USAO staff has formed a partnership with the Connecticut Department of Veterans' Affairs and will be meeting with VA in 2016 to explore additional outreach opportunities.

September 30, 2015: Conducted technical assistance training for top officials at DMV on language access related to complaints from the Asian and Hispanic communities.

October 2015: Panel Discussion on VAWA and Human Trafficking at Grace Farms Foundation Justice Launch. We also continue to partner with the Center for Family Justice and ICONN in Bridgeport.

October 13, 2015: School Partnerships – conducted fun, interactive drug awareness training for eighth graders at Windham Middle School.

November 7, 2015: Speech made at NAACP conference in Stamford on race and policing.

November 12, 2015: Attendance at Connecticut Hispanic Bar Association annual meeting.

November 2015: USAO offers training to the VA staff on the federal laws that protect veterans' rights.

November 2015: A front page article authored by the USAO in the November issue of the Connecti-

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cut Guardian detailing the USAO's commitment to helping veterans by protecting their federal rights.

November 16, 2015: Building Bridges: The Community and Law Enforcement conference held at the Cooperative Arts and Humanities High School, New Haven. Chairman of the Board of Directors of the NAACP Roslyn Brock presented the opening keynote address, and FBI Director James Comey gave the closing keynote. The event was designed to address and improve relations between law enforcement and African-American communities.

November 19, 2015: USAO co-sponsored a program with the University of Connecticut School of Law on Ensuring Fair Elections: Fifty Years After the Voting Rights Act: November 19th at UConn Law School. Opening remarks were given by First Assistant Mike Gustafson and University of Connecticut School of Law Dean Timothy Fisher. Panelist included: Deputy Assistant Attorney General Justin Levitt, Deputy Chief of Public Corruption and Financial Crimes at the U.S. Attorney's Office Sarah Karwan, and University of Connecticut Professor Douglas Spencer.

November 20, 2015: USAO Indian Country liaison met with police chiefs from the Mohegan and Mashantucket Pequot police departments to discuss working together cooperatively to enforce the laws.

November 21, 2015: AUSA participated in two outreach events: a community meeting at the Baitul Aman Mosque and a meeting of community leaders and the local FBI concerning recruitment of youth by Islamic radicals.

December 6, 2015: USAO sponsored anti-bullying program at Islamic Center of Connecticut.

December 2015: USAO personnel met with representatives from the Daughters of the American Revolution (DAR) in an effort to create a USAO/DAR partnership to assist veterans statewide.

December 10, 2015: Training of our State Civil Rights Commission on federal protections for all groups listed in our special program emphasis.

December 11 & 16, 2015: Meetings held with the University of Bridgeport to plan upcoming "Know Your Rights" program with Arab, Muslim, and Sikh communities.

December 19, 2015: USAO sponsored anti-bullying program at Baitul Aman Mosque in Meriden.

USAO District of Connecticut **Outreach — Education**

Education Working Group:

In 2015, the United States Attorney's Office Education Working Group held several conferences and webinars on topics, such as assisting camps with understanding their obligations under the Americans with Disabilities Act (ADA). Members of the group also developed two noteworthy items. First, AUSA Vanessa Avery, together with the Commission on Human Rights and Opportunities, Connecticut Summer Camp Association, and the Center for Children's Advocacy, worked with a local high school to develop a public service announcement on the ADA and the importance of inclusion. Second,



the group developed a brochure entitled “the Cost of Non-Compliance with the Americans with Disabilities Act.” The brochure provides a detailed list of the damages levied on entities for failing to comply with federal law. The office also used the working group as a vehicle to distribute DOJ Toolkits for educators on topics such as English Learners and chronic absenteeism.

Superintendents Forum:

Several representatives from the U.S. Attorney's Office participated in a Superintendents Forum on June 29, 2015. The event welcomed approximately twenty superintendents to our Office to discuss a variety of topics including drug-usage and trafficking, violence, and human trafficking on school grounds, as well as encouraged schools to comply with the mandates of the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, and the Education Opportunities Act.

USAO School Partnerships:

We have coordinated the majority of our school outreach activities under a single umbrella of School Partnerships. Currently, we have partnerships in eight school districts, with a set menu of program offerings for middle school and high school students, as well as staff training. Program topics include internet safety, anti-bullying, drug abuse prevention, human trafficking prevention, deterrence of group and gang violence, and cultural competence regarding Arab, Muslim and Sikh communities. Each school district works in partnership with our office to tailor programs to the needs of a given school or group.

Know Your Rights:

On Friday, May 15, 2015, representatives of the U.S. Attorney's Office and the FBI, together with DOJ Community Relations Service representative Azekah Jennings, Dr. Bill Howe from the Connecticut Department of Education, and Attorney Cheryl Sharp from the CT Commission on Human Rights and Opportunities presented an anti-bullying program at Madina Academy in Windsor, the only fully-accredited K-12 Islamic school in the state. Attorney Sharp presented a “know your rights” talk about individuals' rights to be free from discrimination and Dr. Howe taught children how to cope with bullying. Approximately 25 students and parents attended.

USAO District of Connecticut Outreach—Building Bridges Conference

As a result of a partnership between the Greater New Haven Clergy Association, the U.S. Attorney’s Office, Yale Black Law Students Association, Yale Law School, the Federal Bureau of Investigation, New Haven Police Department, New Haven Chapter of the National Association for the Advancement of Colored People and the National Organization of Black Law Enforcement Executives for Connecticut, we convened a “Building Bridges” conference in November, after the Greater New Haven Clergy Association contacted the U.S. Attorney’s Office following the massacre at Mother Emmanuel Church in Charleston. The meeting resulted in a joint Statement of Conscience, which is on the following page, and has grown into a continuing partnership committed to building a strong relationship between law enforcement and the community, grounded in fairness, mutual respect and an abiding dedication to justice.



Clockwise from top left: (1) FBI Director James Comey; (2) Frank Amorosa (DOJ Community Relations Service), Lt. Dave DelVecchia (CT State Police), Special Agent in Charge Patricia Ferrick (FBI, New Haven), AUSAs Michael Gustafson and Ndi Di Moses; (3) Michael Sierra-Arevalo (Yale), Sean Reeves (S.P.O.R.T. Academy), Stacy Spell (Project Longevity), Chief Dean Esserman (New Haven Police Department), Charlie Grady (FBI); (4) NAACP Chairman of the Board of Directors Roslyn Brock.

Building Bridges Committee

Greater New Haven Clergy Association

Enola Aird
Rev. Steven Cousin
Rev. Dr. Boise Kimber
Rev. Keith King
Rev. James Newman

Yale Law School

Olevia Boykin
Emmanuel Hampton

Event Partners

Yale Law School
Yale Black Law Students Association
National Association for the Advancement of
Colored People (NAACP)
Greater New Haven NAACP
Federal Bureau of Investigation
New Haven Police Department

July 1, 2015

Statement of Conscience

Our hearts are saddened by the massacre at Mother Emanuel AME Church in Charleston, South Carolina, and we extend our deepest sympathies to the families and friends of the victims. We choose to not be silent at this moment in our nation's history, but to be clear about where we stand. We condemn all acts of violence and are especially sensitive to violence motivated by racial hatred. We commend the people of Emanuel and Charleston for their inspiring response to this tragedy.

As we stand in solidarity with Mother Emanuel and Charleston, we know that many of our friends and neighbors worry whether such events could take place in New Haven. Although we cannot prevent all acts of violence, members of the African American clergy, the larger New Haven faith community, the New Haven Police Department, the United States Attorney's Office for the District of Connecticut, the Federal Bureau of Investigation, the New Haven State's Attorney's Office and Project Longevity remain committed to working together to promote the safety of all our residents and to create an environment of trust that recognizes the humanity and dignity of every member of our community.

Over the last three years, the New Haven Police Department's reinstatement of community policing, the U.S. Attorney's Office's outreach efforts, and initiatives of the African American clergy have strengthened the ties between the local community and its law enforcement partners. We are committed to deepening those ties.

At the same time, we recognize that recent events have brought into stark relief the unhealed wounds created by our nation's tortuous history of slavery and racism. We recognize, as the United States House of Representatives acknowledged in its 2008 apology for slavery, that "African-Americans continue to suffer from the complex interplay between slavery and Jim Crow. . . through enormous damage and loss, both tangible and intangible, including the loss of human dignity, the frustration of careers and professional lives, and the long-term loss of income and opportunity."

We live in a nation with a history of racism and none of us can escape that legacy. But we can deepen our understanding of that history and work to heal from it. We commit to doing our part to promote that vital healing. We commit to work together to foster a continuing community conversation that will help us all look with fresh eyes at our history and its impact on our lives today -- to look at how stereotypes created four hundred years ago to justify the enslavement of Black people still shape public and private perceptions and actions.

We will ensure that racial violence will never be accepted in New Haven or the rest of Connecticut. We will foster an environment of trust and respect, and we will boldly create opportunities to promote racial healing and reconciliation that will lead to genuine racial and economic justice. We cannot bring back the nine lives lost in Charleston, but we will honor their memories by working together to prevent such tragedies from befalling other families.

USAO District of Connecticut Outreach—Project Longevity

Project Longevity, launched in New Haven in 2012, is a program aimed at reducing and eradicating group-related homicides and violence. This statewide initiative, which combines preventive and enforcement aspects, is research-based and is currently being implemented in Hartford, New Haven, and Bridgeport. The strategy starts by working with our research partners (Yale University and the University of New Haven), federal, local and state law enforcement, including the Connecticut Office of Adult Probation, service providers, and community members to identify the universe of individuals who are most likely to be perpetrators or victims of violence, the groups with which they associate, and the pattern of alliance and conflict between those groups. The strategy is based on the premise that violence can be dramatically reduced when community members and law enforcement join together to directly engage with these groups and clearly communicate: (1) a credible, moral message against violence; (2) a credible law enforcement message about the consequences of future violence; and (3) a genuine offer of help for those who want it. To do this, a partnership of law enforcement, social service providers, and community actors—parents, ministers, gang outreach workers, neighborhood associations, ex-offenders, and others, are assembled to engage in sustained relationships with members of violent groups.

The key moment in the strategy is a “call-in,” which is a face-to-face meeting between group members and the partnership, during which the partners deliver key messages, such as violence is wrong and has to stop; that the community needs them alive and out of prison with their loved ones; that help is available to all who wish to take it; and that violence will be met with clear, predictable, and certain consequences, not just for the individual perpetrators but for all members of the group with which they are asso-



ciated. The message is one of group accountability. Call-ins have been occurring regularly in Hartford, New Haven, and Bridgeport and will continue.

The Police Departments and Probation Offices in each of these cities have been extensively involved in the prevention, outreach and enforcement efforts that are required in this Program. To the extent that groups self-select by committing acts of violence, the Violent Crime and Narcotics Unit works with federal, local, and state law enforcement partners, including State Probation officials, to determine the appropriate forum for prosecution of the group’s members. The credibility and certainty of the consequences for self-selection through commission of acts of violence is a critical component of this program. Project Longevity has already generated federal investigations and prosecutions, and it is anticipated that the VCN Unit will continue to bring federal charges where appropriate within this program. Due in large part to Project Longevity, there has been a documented reduction of violent crime rates and it is critical that this effort continues and grows.

USAO District of Connecticut Outreach—Project Longevity



USAO District of Connecticut Outreach—Project Longevity



USAO District of Connecticut **Outreach**

Other Outreach Events

On July 22, 2015, AUSA Ndidi Moses delivered the afternoon keynote address at the City of New Haven's 25th Anniversary of the Americans with Disabilities Act event. The event, which was headlined by Governor Malloy, commemorated the 25th Anniversary of the Americans with Disabilities Act.

On July 30, 2015, AUSA Ndidi Moses presented the keynote address on Civil Right Enforcement at the Leaders and Legends Award presentation at the State Capitol, hosted by the Commission on Human Rights and Opportunities. The event honored numerous state officials and advocates for their dedication to furthering Civil Rights initiatives in Connecticut.

AUSA Ndidi Moses, former AUSA Lisa Perkins, and Anne Sophie Whitaker from the U.S. Department of Health and Human Development, presented at the Disabilities Roundtable in Stamford, which was hosted by the Center for Children's Advocacy. Over 100 advocacy groups and concerned parents attended the event to learn about their rights under federal and state law.

USA Deirdre M. Daly and AUSA Ndidi Moses participated at the Connecticut State Education Resource Center conference in October 2015. The event commemorated the 40th Anniversary of the Individuals with Disabilities Education Act and the 25th Anniversary of the Americans with Disabilities Act. Ms. Daly presented the keynote address to almost 300 participating agencies and advocacy groups. Senator Chris Murphy also spoke at the event on his legislation to improve Special Education.

IN MEMORIAM



Azekah “Zeke” Jennings

Azekah came into our lives several years ago as a Conciliation Specialist with the U.S. Department of Justice, Community Relations Service. He assisted state and local governments, private and public organizations, and community groups with preventing and resolving racial and ethnic tensions, incidents, and civil disorders. Prior to joining CRS, Azekah served as a federal prosecutor for over twenty years in the United States Virgin Islands. We lost a dear friend on October 4, 2015. But his memory inspires all of us to do better . . . and have fun doing it.

Whether our children are young or grown, our role and place in their lives remain the same: providers, protectors, mentors, advisors Recent events in South Carolina and other parts of the country show how vulnerable we are and that even in sacred spaces we are not always safe. Tomorrow is not promised to any of us, let us embrace each day and live it to the fullest and always make sure that the people we love, especially our children, know and feel that love. I celebrate and salute you all.”

~ AZEKAH JENNINGS ~