



U.S. ATTORNEY'S QUARTERLY

LEADER IN "TACONY DUNGEON" CASE SENTENCED

Linda Weston was sentenced on November 5, 2015, to life plus 80 years in prison for racketeering and hate crimes against disabled adults. Weston ran a scheme that involved holding disabled adults captive in locked closets, basements, and attics in Philadelphia's Tacony section and in other states. She pleaded guilty to racketeering conspiracy, kidnapping resulting in the death of the victim, forced human labor, involuntary servitude, multiple counts of murder in aid of racketeering, hate crime, violent crime in aid of racketeering, sex trafficking, kidnapping, theft of government funds, wire fraud, mail fraud, use of a firearm in furtherance of a violent crime, and false statements.

From approximately 2001 through October 2011, Weston and her co-conspirators lured mentally disabled individuals into locations rented by Weston, Jean McIn-

tosh, Eddie Wright and others in Philadelphia, Pennsylvania, Killeen, Texas, Norfolk, Virginia, and West Palm Beach, Florida. Weston and the co-conspirators targeted mentally challenged individuals who were estranged from their families. Once Linda Weston convinced them to move in, she became their representative payee with Social Security and began to receive their disability benefits and in some instances, their state benefits. On one occasion, Weston and one of her co-defendants took the social security and identification documents from a victim by force and then used the funds for her own and Weston Family purposes.

The victims were confined to locked rooms, basements, closets, attics, and apartments. While confined, they were often isolated, in the dark, and sedated with drugs placed in their food and drink by Weston and her co-defendants. When the individuals tried to es-

cape, stole food, or otherwise protested their treatment, Weston and others punished them by slapping, punching, kicking, stabbing, burning and hitting them with closed hands, belts, sticks, bats, and hammers or other objects. Some victims endured the abuse for years, until October 15, 2011, when Philadelphia Police officers rescued them from the sub-basement of an apartment. The enterprise victimized six disabled adults and four children.

Two victims died while living with Weston, one in 2005, the other in 2008. Weston took steps to cover up the true nature of the deaths.

Weston co-defendant's Jean McIntosh, Eddie Wright, and Gregory Thomas, Sr., are awaiting sentencing. Co-defendant Nicklaus Woodard is awaiting trial.

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Allentown, Reading Officials Plead Guilty In Corruption Cases

On November 30, 2015, guilty pleas were entered in two separate public corruption schemes, one involving officials in the city of Allentown, the other involving officials in the city of Reading.

Allentown Assistant City Solicitor Dale Wiles pleaded guilty to conspiracy to commit mail and wire fraud. Wiles admitted to rigging the outcome of a contract bid for the benefit of another elected official. Wiles was involved in the process for awarding a contract to collect delinquent real estate taxes and municipal claims. Wiles admitted that, at the direction of Allentown Finance Director Garrett Strathearn, he took steps to ensure that the contract was awarded to the bidder favored by "Public Official #3," who was receiving campaign contributions from that bidder. Wiles falsified certain paperwork in order to create public records which gave the false impression that the contract awardee had earned the revenue collection contract on the merits. Wiles also made statements to FBI agents which were materially false with respect to the revenue collection contract award process for 2014. A sentencing hearing is scheduled for June 6, 2016. Strathearn was charged in December with also taking part in the scheme.

Eron Lloyd, a Special Assistant to Reading's Mayor, pleaded guilty to conspiracy to commit bribery with "Public Official #1" and others. Public Official #1 engaged in pay-to-play schemes wherein he sought campaign contributions from those seeking city contracts in Reading. Public Official #1 also tried to repeal portions of Reading's Ethics Code by bribing the President of City Council, Francisco Acosta. Lloyd helped Public Official #1 devise and implement these schemes. For example, Public Official #1 and Lloyd offered Acosta an \$1,800 "loan" to an Acosta ally ("Public Official #2"), which would be "forgiven" upon Acosta successfully orchestrating the repeal. Three days after accepting the bribe, Acosta introduced repeal legislation which, in accordance with Public Official #1's wishes, would have eliminated the Ethics Code's restrictions on campaign contributions and nullified its prohibition on awarding "no-bid contracts" to certain donors. A sentencing hearing is scheduled for June 7, 2016.

Fraud Schemes

On October 5, 2015, a federal jury returned guilty verdicts against Chaka Fattah, Jr., on 22 of 23 counts in connection with a scheme to defraud banks, the Internal Revenue Service, and the Philadelphia School District of hundreds of thousands of dollars. Sentencing is scheduled for February 3, 2015. Between 2005 and 2012, Fattah, Jr. made false statements to banks to obtain loans; made false statements to banks and the Small Business Administration to settle loans for less than what was owed; filed false federal income tax returns; failed to pay federal taxes; and stole from the Philadelphia School District, which had received federal funds for its operations. He obtained numerous business lines of credit through false and fraudulent statements to local banks and used the funds primarily for personal expenses - including car payments, gambling debts, restaurant and club expenses, utilities, clothing, electronics, retail purchases, charitable donations, jewelry, legal fees, and personal credit card expenses - rather than business expenses, as the loan terms required. Fattah, Jr., also stole funds supplied by the federal government to the Philadelphia School District, while acting as Chief Operating Officer of a Philadelphia company which provided educational services to "at risk" and other students through contracts with the school district. He was also convicted of filing false federal income tax returns.

In October, Mark Postell was charged with one count of wire fraud in a fraud scheme that involved his impersonating as a pastor. According to the indictment, on April 28, 2015, Postell impersonated a pastor with the Church of Jesus Christ of Latter-day Saints for the purpose of fraudulently cashing a refund check issued to the church by PECO. The refund check, in the amount of \$183,698.82, was for overbilling and was mailed to an address used by the church. Postell presented the check at a check cashing store and represented to the owner that he was a pastor with the church, that he, in fact, lived at the address on the check, and that he was authorized to cash the check, none of which was true. After the check was deposited and processed by the bank, Postell returned to the check casher and retrieved \$183,698.82, which he was not entitled to receive.

On October 30, 2015, a federal jury returned guilty verdicts against Silver Buckman and her parents, Vincent and Cynthia Foxworth, for a mortgage fraud scheme that stripped the equity from the homes of desperate homeowners facing foreclosure. Their scheme caused losses to mortgage lenders of approximately \$3.8 million. They are awaiting sentencing for bank fraud, wire fraud, and conspiracy to commit bank fraud and wire fraud. Buckman was owner and operator of Fresh Start Financial Services ("FSFS") and an employee of American Home Lending. Her father is a Realtor. The defendants targeted financially vulnerable homeowners and represented to them that they could improve their credit, save their homes from foreclosure, or provide them with money through Buckman's lease buyback program. The defendants also allegedly induced the homeowners into signing documents related to the sale and lease of their homes by their representations that the homeowners would remain on the title to their homes, that the equity from their homes would be placed into an individual escrow account in their names, and that new mortgages would be paid from the escrow accounts to establish their timely payment histories. Once lenders agreed to fund the mortgage loans, Buckman prevented the homeowners from receiving the settlement proceeds and did not put money into escrow accounts for the homeowners. Instead, the defendants distributed the proceeds amongst themselves. Buckman used only a fraction of the homeowners' monies toward the payment of the mortgages and caused the loans to go into default.

A federal jury, on November 12, 2015, returned guilty verdicts against Yujie Ding and Yuliya Zotova on six counts of wire fraud for defrauding NASA's Small Business Innovation Research (SBIR) Program. Sentencing is scheduled for March 2, 2016. In August 2009 and July 2010, Ding and Zotova submitted proposals to NASA, seeking funding for scientific research. The defendants' proposals claimed that Zotova would serve as principal investigator for research that would be conducted at their business, ArkLight. The defendants' proposals claimed further that ArkLight would subcontract some of the work to Lehigh University, where Ding was employed. Instead, the defendants used ArkLight as a front to funnel federal grant money to themselves for research performed by students and others working in Ding's university lab who were not supervised by Zotova.

On November 20, 2015, Taminco US, Inc. ("Taminco"), pleaded guilty to and was sentenced for six counts related to shipping monomethylamine (MMA) to customers in Mexico, for whom required identification had not been obtained, and failing to report the disappearance of shipments of MMA, a necessary chemical for one method of manufacturing methamphetamine, a controlled substance. Taminco, a chemical company headquartered in Allentown, PA, was also ordered to pay a criminal penalty of \$860,374 and agreed to pay a civil fine of \$475,000 as part of a civil settlement with the United States. Taminco shipped MMA to two different customers in Mexico. Each load was approximately 16,800 kilograms. Some shipments of MMA disappeared and Taminco failed to promptly report the disappearances to the DEA as required by statute. According to the civil claims, Taminco also could not verify that certain of the MMA shipments reached their intended recipient in Mexico,

On December 10, 2015, a federal jury returned guilty verdicts on all counts against Rahim Henderson, a former Philadelphia Police Officer, in connection with a counterfeit credit card manufacturing operation. Henderson was convicted of conspiracy, wire fraud, access device fraud, and multiple counts of aggravated identity theft. The defendants are awaiting sentencing. Henderson used a credit card encoding machine to encode stolen credit card account information onto a different credit card's magnetic stripe. He manufactured cards and he, his wife, Tian Larode, and his sister, Waliyda Henderson, used the cards to make thousands of dollars worth of fraudulent purchases at commercial establishments.



CIVIL SETTLEMENTS

In October, the United States reached a settlement with Mercy Suburban Hospital ("Mercy"), in East Norriton, PA, to resolve alleged violations of the Americans with Disabilities Act ("ADA") for refusal to treat an HIV-positive patient at one of its facilities. According to the allegations, in 2013, an HIV-positive patient was turned away from a Mercy bariatric facility without evaluation or treatment because the patient was HIV-positive. As a result of the investigation, Mercy agreed to pay Complainant \$20,000 and to pay the United States a \$5,000 civil penalty. Mercy agreed to implement a non-discrimination policy, advertise that policy, and adequately train employees and contractors regarding the policy.

In November, the United States filed a civil fraud lawsuit against Wilbert D. McKinzie, an Amtrak employee, alleging that he submitted claims for sickness compensation to which he was not entitled. According to the complaint, McKinzie was working another job as a home health aide while submitting claims for sickness compensation from the United States Railroad Retirement Board. McKinzie collected \$9,517.60 that he was not eligible to receive. McKinzie agreed to enter into a consent judgment.

In December, Aria Health Systems, Inc. ("Aria") agreed to pay \$564,700 to resolve claims that a cardiologist performed unnecessary invasive procedures on inpatients and outpatients at their Torresdale Campus between October 1, 2012 and April 15, 2013. Aria also agreed to pay \$2.5 million to resolve alleged violations regarding compensation to physicians that were in excess of fair market value. The settlement resolves claims regarding compensation paid to a cardiac thoracic surgeon from 2012 to 2014 and claims regarding the purchase of a trademark name in the course of the acquisition of an orthopedic group by Aria in December 2012. Aria is a major health care provider in Northeast Philadelphia and lower Bucks County. Aria became aware of certain complaints regarding the cardiologist in January 2013. They hired an independent review organization that reviewed the medical treatment for some of his patients and, as a result, the doctor agreed to cease performing invasive cardiac procedures at the end of February 2013 and agreed to terminate his employment with Aria as of April 15, 2013. Aria self-disclosed this matter to the United States in March 2014.

Child Exploitation Cases

In October, Christopher Steele, of Newark, DE, was convicted of use of an interstate commerce facility to entice a minor to engage in sexual conduct, interstate travel with intent to engage in illicit sexual conduct with a minor, and receipt of child pornography. He faces a mandatory minimum of 10 years in prison with a maximum sentence of life.

Corderro Cody pleaded guilty to charges running a sex trafficking operation. Cody recruited women to work as prostitutes, referred to his prostitution business as the "program," and advertised the women on Backpage.com. The women were sometimes driven to other states and forced to perform sexual acts. Cody recovered and kept most, if not all, of the money generated by the sexual acts, and used physical force in the form of beatings when the women did not adhere to the "program," and to maintain the women performing commercial sexual acts.

Rashidah Brice, of Chester, PA, was sentenced to 185 months in prison for sex trafficking a minor by force and two counts of sex trafficking by force. She, along with Christian Dior Womack, operated a prostitution venture that recruited young females, one of whom was a minor, to work as prostitutes. The defendants engaged in acts of physical violence and threatened physical harm to maintain the participation of females in their prostitution business. Womack, a/k/a "Gucci Prada," was sentenced in December to life in prison.

Thomas Rafferty, of Levittown, PA, was sentenced in December to 15 years in prison for taking sexually explicit pictures of young girls. The investigation began when one of the victims reported the abuse nine years after the events. Agents of Immigration and Customs Enforcement Homeland Security Investigations were able to resurrect the "cold case" and obtain a search warrant for the defendant's residence. In a computer, the agents found the images that the victim had described.

In December, Kurt Eichert, of Wyndmoor, PA, was charged with production of child pornography, distribution of child pornography, and possession of child pornography. Eichert is alleged to have surreptitiously recorded children changing their clothes at a Pennsylvania amusement park. He also allegedly distributed child pornography images that were separate from the recordings. He is awaiting trial, currently scheduled for April 12, 2016.



CRIME & PUNISHMENT:



CHARGED:

October 2015:

Aaron Dashawn Caple was indicted in a fraud scheme involving bad checks and social media. Caple is charged with four counts of bank fraud and 22 counts of aggravated identity theft. He allegedly used social media services Twitter and Facebook to solicit potential co-schemers to message him if they wanted to make quick cash and had an account at a bank or other financial institution. From those that responded, he obtained their bank ATM cards and PIN numbers and allegedly used that information to deposit bad checks into those accounts and withdraw the funds before the banks and other financial institutions realized that the checks were bad.

November 2015:

Mansaray Mohamed Mansaray was charged with preparing and filing fictitious federal income tax returns that used the names and Social Security numbers of children as false dependents. Mansaray allegedly charged clients \$800 to \$1,000 to falsely include a dependent on their income tax return, which fraudulently added the child tax credit, the child and dependent care credit, and the earned income tax credit.

Aura Voicu and Silviu Serban, of Romania, were charged with a skimming scheme involving Automated Teller Machines (ATMs) belonging to various banks that the defendants targeted. The defendants allegedly installed devices on various Philadelphia bank ATMs to capture Personal Identification Numbers (PINs) used by bank customers.

December 2015:

Michael Alvaro was charged with impersonation of a federal

officer, impersonator conducting detention and search, and possession of unregistered firearms. Alvaro allegedly identified himself as a federal law enforcement officer of the Drug Enforcement Agency (DEA), and assisted in the detention of another person and search of that person's vehicle. Alvaro also allegedly identified himself as a federal law enforcement officer of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) in order to gain access to a secured area of an Amtrak derailment.

CONVICTED:

October 2015:

Miguel Amaris-Caviedes pleaded guilty to knowingly conducting financial transactions that involved purported drug proceeds. Amaris-Caviedes was laundering purported drug proceeds through Costa Rican bank accounts. In 2013, Amaris-Caviedes met with individuals to discuss money laundering and drug trafficking methods from Costa Rica. Amaris-Caviedes agreed to launder what he believed to be drug proceeds through four Costa Rican bank accounts and then wire transfer the proceeds, minus his commission, to any country requested.

December 2015:

James J. McCullagh pleaded guilty to making false statements, obstruction of justice, and willfully violating an Occupational Safety and Health Administration (OSHA) regulation causing death to an employee. McCullagh, who owns James J. McCullagh Roofing, failed to provide fall protection equipment to his employees. On June 21, 2013, one of McCullagh's employees was killed after falling approximately 45 feet from a roof bracket scaffold while performing roofing work for McCullagh. On four occa-

sions, McCullagh falsely stated that he had provided fall protection equipment when he knew that he had not. McCullagh also directed other employees to falsely state that they had fall protection, including safety harnesses, on the day of the fall.

SENTENCED:

October 2015:

Christine Yoder was sentenced to 300 months in prison for charges of child exploitation that involved the sexual abuse of a 6-year old child and a 16-month old infant. Yoder pleaded guilty on March 9, 2015, to two counts of employing a child to produce images of the child engaged in sexually explicit conduct and two counts of distributing material involving the sexual exploitation of children. In May of 2014, Yoder sent a photograph to an undercover FBI agent of a 6-year-old which depicted that child engaging in sexually explicit conduct. Thereafter, Yoder offered to fly the child to Detroit for sexual activity. Yoder also produced pornographic photographs of a 16-month old.

November 2015:

Laura Wayne was sentenced to 36 months in prison for wire fraud in connection with her embezzlement from Comcast employee retirement accounts. Wayne was an administrator of the employee retirement accounts when she created dummy retirement accounts and used those accounts to defraud Comcast of approximately \$124,876. Wayne used the names, dates of birth, and social security numbers of her family and relatives to create what appeared to be 401(k) retirement accounts managed by Fidelity Company for the benefit of Comcast employees. She used her access to Comcast records to fraudulently fund each account for the maximum

amount allowed by law and to obtain the matching funds from Comcast. She created fake user names and passwords to transfer all of the money in the dummy Fidelity accounts to her personal bank accounts. When she was caught, she lied to both Comcast and an FBI agent.

December 2015:

Deborah Cellucci was sentenced to one year and one day in prison for sending a false levy release that hampered the IRS's efforts to collect taxes owed by Cellucci's day care business. In 2013, Cellucci fell behind on her business taxes. As part of its collection efforts, the IRS sent a Notice of Levy to an agency that paid subsidies to Cellucci's day care under the subsidized child care program. That levy directed that the \$28,103.20 subsidy slated for the day care be paid to the IRS. In June 2013, Cellucci faxed a false levy release from her home in New Jersey to the agency, in Philadelphia, in charge of paying the day care subsidy funds. As a result of the false levy release, a check for \$28,103.20 that the agency had written to the U.S. Treasury was canceled, and a new check in the same amount was made out to the day care. Cellucci endorsed the check, and deposited the proceeds into her business account.

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