

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO. 15-_____**

v. : **DATE FILED: _____**

THOMAS LUTHER : **VIOLATION:**
: **18 U.S.C. § 1343 (wire fraud – 2 counts)**
: **18 U.S.C. § 2 (aiding and abetting)**
: **Notice of forfeiture**

INFORMATION

COUNTS ONE AND TWO

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this information:

1. Meyer Jabara Hotels, LLC (“Meyer Jabara”) was a management company responsible for providing management services to the Sheraton University City Hotel located at 3549 Chestnut Street, Philadelphia, Pennsylvania. The Sheraton University City Hotel is owned by the University of Pennsylvania. The Sheraton University City Hotel has its business bank account with Sovereign Bank, which is insured by the Federal Deposit Insurance Corporation (“FDIC”).

2. Co-conspirator 1, a person known to the United States Attorney, was employed by Meyer Jabara and was the “General Manager” at the Sheraton University City Hotel. In his capacity as general manager, co-conspirator 1 oversaw all aspects of the day-to-day financial and personnel management of the Sheraton University City Hotel. Co-conspirator 1 had the authority to hire vendors and enter into contracts with vendors on behalf of the Sheraton University City Hotel and authorize payment to vendors on behalf of the Sheraton University City Hotel.

3. Co-conspirator 1 established a corporation with a business account with TD Bank, a financial institution which operated in interstate commerce and was insured by the FDIC.

4. Co-conspirator 2, a person known to the United States Attorney, was employed by Meyer Jabara and was the “Chief Engineer” at the Sheraton University City Hotel. Co-conspirator 2 was responsible for the operation and maintenance of the physical hotel building.

5. Co-conspirator 2 maintained a personal bank account at TD Bank, a financial institution which operated in interstate commerce and was insured by the FDIC.

6. Defendant THOMAS LUTHER is the owner of Practical Network Security Solutions, Inc., an information technology “IT” company. Practical Network Security Solutions provided IT services to the Sheraton University City Hotel.

THE SCHEME

7. From in or around November 2009 to in or around December 2013, in the Eastern District of Pennsylvania, and elsewhere, defendant

THOMAS LUTHER

and others known and unknown to the United States Attorney, knowingly devised a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

8. Co-conspirators 1 and 2 instructed vendors who provided services to the

hotel, including defendant THOMAS LUTHER, to fraudulently inflate service invoices submitted by them by as high as approximately 20 percent for services rendered.

9. From in or November 2009 to in or about December 2013, defendant THOMAS LUTHER prepared fraudulent invoices on behalf of Practical Network Security Solutions, Inc., by both charging for particular IT services not rendered, as directed by co-conspirator 1, and by falsely inflating costs for IT services actually rendered to the Sheraton University City Hotel, as instructed by co-conspirator 2.

10. From in or about November 2009 to in or about August 2013, defendant THOMAS LUTHER prepared approximately five fraudulent invoices on behalf of Practical Network Solutions, Inc., by falsely inflating costs for services rendered to the Sheraton University City Hotel, as instructed by co-conspirator 2.

11. From in or about November 2009 to in or about December 2013, defendant THOMAS LUTHER paid co-conspirator 2 kickbacks in approximately five payments totaling approximately \$7291.00, from the payments he received from the Sheraton University City Hotel pursuant to his inflated invoices.

12. From in or about November 2009 to in or about December 2013, co-conspirator 2 deposited the five payments totaling approximately \$7291.00 received from defendant THOMAS LUTHER into his personal TD Bank account.

13. From in or about June 2011 to in or about December 2013, defendant THOMAS LUTHER prepared approximately 11 fraudulent invoices on behalf of Practical Network Solutions, Inc., by falsely charging for “network monitoring” services never rendered to the Sheraton University City Hotel, as instructed by co-conspirator 1.

14. From in or about June 2011 to on or about December 2013, defendant THOMAS LUTHER paid to co-conspirator's Bachigs, Inc., TD Bank account, kickbacks in approximately 11 payments totaling approximately \$136,000 from the payments received from the Sheraton University City Hotel pursuant to his false invoices.

15. From in or about June 2011 to in or about December 2013, co-conspirator 1 deposited the 11 payments totaling approximately \$136,000 received from defendant THOMAS LUTHER into his Bachigs, Inc., TD Bank business account.

16. On or about the dates set forth below, in the Eastern District of Pennsylvania, and elsewhere, defendant

THOMAS LUTHER

and other persons known and unknown to the United States Attorney, for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below, each transmission constituting a separate count:

COUNT	DATE	DESCRIPTION
1	April 14, 2011	Practical Network Security Solutions' Check # 16640 in the amount of \$2,352, provided by defendant THOMAS LUTHER to co-conspirator 2 was deposited into co-conspirator 2's TD Bank Account in Pennsylvania and processed electronically by TD Bank in New Jersey.
2	December 4, 2013	Practical Network Security Solutions' Check # 1724 in the amount of \$20,500, provided by defendant THOMAS LUTHER to co-conspirator 1 was deposited into co-conspirator 1's business TD Bank Account in Pennsylvania and processed electronically by TD Bank in New Jersey.

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

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1343, as set forth in this information, defendant

THOMAS LUTHER

shall forfeit to the United States of America any property that constitutes, or is derived from, proceeds obtained directly or indirectly from the commission of such offenses, including, but not limited to, the sum of \$143,291 and:

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant(s) up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18,
United States Code, Section 981(a)(1)(C).

ZANE DAVID MEMEGER
United States Attorney