

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Criminal No. 15-
	:	
LOUIS SCLAFANE	:	31 U.S.C. § 5324(a)(1)
	:	31 U.S.C. § 5317(c)

INFORMATION

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

The Defendant

1. At all times relevant to this Information, defendant LOUIS SCLAFANE (“defendant SCLAFANE”) was the owner and sole proprietor of Advance Financial (“AF”), a check cashing establishment with its principal place of business at 390 Broadway Avenue, Bayonne, New Jersey. As the proprietor of AF, defendant SCLAFANE oversaw the day-to-day operations of AF, such as approving transactions, withdrawing currency from AF’s bank account for operational purposes, and cashing customers’ checks.

The Bank Secrecy Act

2. Congress enacted the Bank Secrecy Act (“BSA”), codified in Title 31, United States Code, Sections 5313-5326, to address an increase in criminal money laundering through financial institutions.

3. Check cashers qualified as financial institutions within the meaning of the BSA pursuant to Title 31, United States Code, Section 5312(a)(2)(K). A check cashier was

someone engaged in the business of cashing checks for other people in amounts greater than \$1,000 in currency or other transactions. A check casher would typically charge a fee for this service. Check cashers enabled people to cash checks without having to go to the bank or otherwise have a bank account.

4. One of the BSA mechanisms to uncover criminal activity conducted through financial institutions was a requirement that check cashers and other financial institutions file a “Currency Transaction Report” (“CTR”), FinCEN Form 104, with the Financial Crimes Enforcement Network (“FinCEN”), a bureau of the United States Department of the Treasury, for any transactions involving more than \$10,000 in currency.

5. A CTR consisted of three parts. Part I required the financial institution to verify and accurately record the name and address of the individual who conducted a reportable currency transaction, as well as to accurately record the identity, social security number, or taxpayer identification number of any person or entity on whose behalf the currency transaction was conducted. Part II required the financial institution to record the date, the amount of the transaction, and the form of the transaction. Part III required the name of the financial institution where the transaction occurred, the person completing the CTR, and the person approving the completion and filing of the CTR.

6. AF was not registered with FinCEN as a money service business or a “financial institution,” as that term is defined in Title 31, United States Code, Section 5312(a)(2)(k). AF was nonetheless subject to the CTR reporting requirements of the BSA. As the proprietor of AF, defendant SCLAFANE was responsible for assuring the proper filing of CTRs.

7. From in or about September 2010 through in or about April 2012, in the District of New Jersey and elsewhere, defendant

LOUIS SCLAFANE

did knowingly, for the purpose of evading the reporting requirements of the BSA, specifically Title 31, United States Code, Section 5313(a) and the regulations prescribed thereunder, cause and attempt to cause a domestic financial institution, namely AF, to fail to file CTRs for currency transactions in excess of \$10,000, conducted by or on behalf of the same person on the same day, including the following transactions:

Checks Cashed by AF Greater Than \$10,000		
Transaction Date	Check Number	Check Amount
09/29/2010	3277	\$16,417
10/06/2010	009405	\$14,250
11/23/2010	5959	\$12,893
12/08/2010	3044	\$20,000
12/29/2010	010651	\$10,600
01/26/2011	116	\$13,248
05/12/2011	7117572841	\$31,200
06/29/2011	356598	\$13,300
07/05/2011	12808	\$12,700
07/13/2011	35710	\$16,000
09/14/2011	5082184	\$13,788
10/13/2011	117881895J	\$12,505
11/28/2011	10586	\$30,000
12/05/2011	7117774330	\$13,902
12/14/2011	1028	\$51,758
12/20/2011	7117782864	\$13,127
01/30/2012	113	\$40,000
03/07/2012	7127863836	\$22,521
03/09/2012	1441	\$12,987
04/13/2012	1046	\$10,399
	TOTAL	\$381,595

In violation of Title 31, United States Code, Section 5324(a)(1) , and Title 18,
United States Code, Section 2.

FORFEITURE ALLEGATION

1. The allegations contained in this Information are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 31, United States Code, Section 5317(c).

2. Upon conviction of the offense in violation of Title 31, United States Code Section 5324(a)(1) set forth in this Information, defendant

LOUIS SCLAFANE

shall forfeit to the United States of America, pursuant to Title 31, United States Code, Section 5317(c), any and all property, real or personal, involved in the offense and any property traceable thereto. The property to be forfeited is money in the amount of \$381,595.

3. If by any act or omission of defendant LOUIS SCLAFANE, any of the property subject to forfeiture described in paragraph 2 herein:

- 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;

The United States of America will be entitled to forfeiture of substitute property up to the value of the property described above in paragraph 2, pursuant to Title 21, United States Code, Section 853(p).

Pursuant to Title 31, United States Code, Section 5317(c).

Paul J. Fishman/rah

PAUL J. FISHMAN
United States Attorney

CASE NUMBER: _____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

LOUIS SCLAFANE

INFORMATION FOR

31 U.S.C. §§ 5324(a)(1) and 5317(c)

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