

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon. Mary L. Cooper
 :
 v. : Crim. No. 17-
 :
 MIGUEL ANTONIO AZCONA : 18 U.S.C. § 641
 a/k/a/ “Miguel A. Azcona-Peralta” :

I N F O R M A T I O N

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

1. At all times relevant to this Information:

a. New Community Supermarket was a grocery store located in Newark, New Jersey.

b. Defendant Miguel Antonio Azcona, a/k/a “Miguel A. Azcona-Peralta” (“Azcona”), was the owner of New Community Supermarket.

c. The Supplemental Nutrition Assistance Program (“SNAP”) was a program funded by the United States government, which provided nutrition assistance to eligible, low-income individuals and families. SNAP was funded by the United States Department of Agriculture.

d. Pursuant to the Food Stamp Act of 1977, as amended, 7 U.S.C. §§ 2011-32, and its accompanying regulations, 7 C.F.R. §§ 271-85, eligible low income persons (“SNAP Recipients”) could obtain SNAP benefits loaded onto Electronic Benefits Transfer (“EBT”) cards. SNAP benefits could only lawfully be used to purchase specific food items, and not to purchase prepared foods, alcoholic beverages, pet food, or other non-food items. SNAP

benefits could not lawfully be exchanged for cash.

e. Food retailers, such as New Community Supermarket, applied for authorization to participate in the SNAP. Once a retailer had been authorized to enroll in the SNAP, it became an “Authorized Retailer” and could redeem purchases of eligible food products by SNAP Recipients.

f. SNAP Recipients completed purchases by swiping an EBT card at an Authorized Retailer’s point of sale terminal and entering a PIN number. Payments were then transferred from the United States government into a bank account designated by the Authorized Retailer.

2. Since in or around August of 2014, New Community Supermarket was an Authorized Retailer approved to accept SNAP benefits.

3. Beginning at least as early as in or around August 2014 and continuing through on or about August 11, 2016, Azcona and others, including employees of New Community Supermarket (collectively, the “Redeemers”), unlawfully redeemed SNAP benefits in exchange for cash.

4. Specifically, the Redeemers: entered fictitious dollar amounts for allegedly eligible SNAP EBT transactions; provided Recipients a percentage of the transaction’s value in cash; and kept the remainder of the cash for themselves.

5. A Recipient might have purchased a certain amount of eligible food items worth approximately \$7.00, but a Redeemer debited a higher amount than the cost of the food items from the Recipient’s EBT account, which was

then credited to New Community Supermarket's bank account. The Redeemer gave the Recipient a portion of the overage in cash and kept a portion of the proceeds—typically 30% of the total amount of SNAP benefits debited from the EBT card (not including the costs of store items that were purchased).

6. For example, on or about October 16, 2015, a confidential human source ("CHS") working under law enforcement direction used an undercover EBT card to make a SNAP "purchase" totaling \$36.87. A total of \$6.87 in food items was purchased. As to the remaining \$30, Azcona returned \$21 in U.S. currency to the CHS, in violation of SNAP rules and regulations, and the Redeemers kept the remaining \$9, which was deposited into New Community Supermarket's account.

7. From in or around August 2014 through on or about August 11, 2016, in Essex County, in the District of New Jersey, and elsewhere, the defendant,

MIGUEL ANTONIO AZCONA,
a/k/a "Miguel A. Azcona-Peralta,"

did knowingly and intentionally embezzle, steal, purloin, and convert to his own use, money and things of value of the United States, namely, approximately \$840,583.54 in Supplemental Nutrition Assistance Program benefits funded by the United States Department of Agriculture.

In violation of Title 18, United States Code, Section 641.

FORFEITURE ALLEGATION

1. As the result of committing the offense in violation of 18 U.S.C. § 641 alleged in this Information, which is an offense constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), defendant Miguel Antonio Azcona shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of such offense, and all property traceable thereto, including, but not limited to, approximately \$191,836.00 in United States currency.

2. If any of the property described above, as a result of any act or omission of the defendant:

- (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 shall be entitled, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to forfeiture of any other property of the defendant, Miguel Antonio Azcona, up to the value of the forfeitable property.

A handwritten signature in black ink, appearing to read "Paul J. Fishman", with a long horizontal flourish extending to the right.

PAUL J. FISHMAN
United States Attorney

CASE NUMBER: 17-_____

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

UNITED STATES OF AMERICA

v.

MIGUEL ANTONIO AZCONA
a/k/a/ “Miguel A. Azcona-Peralta”

INFORMATION FOR

18 U.S.C. § 641

PAUL J. FISHMAN
UNITED STATES ATTORNEY
NEWARK, NEW JERSEY

ELAINE K. LOU
ASSISTANT U.S. ATTORNEY
973-645-2747

USA-48AD 8
(Ed. 1/97)