

KENNETH J. HUNTER
CHIEF POSTAL INSPECTOR

043-91



March 18, 1994

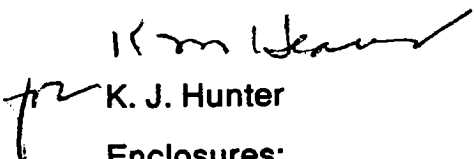
United States Sentencing Commission
One Columbus Circle, N.E.
Suite 2-500, South Lobby
Washington, D.C. 20002-8002

Attention: Public Information

AMENDMENTS TO THE U.S. SENTENCING GUIDELINES

The Postal Service respectfully submits written comments on the 1994 sentence guideline amendments. Our comments are intended to explain and clarify the two amendments submitted by the Postal Service: Amendment 34 (multiple victim offenses) and Amendment 35 (volume mail theft offenses). In addition, we offer comment on Amendments 12(A), 12(B), and 15. As a final matter, we ask the Commission address an apparent inconsistency in the computation of loss in credit card thefts under §2B1.1.

Our narrative comment is extensive and includes as exhibits summaries of Inspection Service investigations of volume mail theft and multiple victim fraud crimes, memorandums of interview, victim impact statements, sentencing statistical data, and written and video news accounts of volume mail thefts. A listing of the exhibits follows our narrative comment.


K. J. Hunter

Enclosures:

1. Comment
2. Exhibits

U.S. POSTAL INSPECTION SERVICE
PUBLIC COMMENTS ON PROPOSED AMENDMENTS
TO THE U.S. SENTENCING GUIDELINES

The theft and fraud sentencing guidelines are driven primarily by the dollar loss tables. In many instances, a dollar loss does not adequately reflect the total harm of the crime. This is especially true where the property stolen has an intrinsic value or where the crime impacts on numerous victims. In addition, the harm related to loss depends on a victim's socioeconomic status. For example, a loss of \$200 to a victim near the poverty line is much more significant and harmful than the same loss to a victim of means. The current guidelines do not consider these important elements of the total criminal conduct.

For those crimes where the dollar loss is difficult to determine, the guidelines have commentary dealing with the nonmonetary or unique value of property. For example, §2B1.3, comment.(n.4), states that an upward departure may be warranted where the monetary value of harm may not reflect the extent of the harm. The commentary gives as an example the destruction of a telephone line with a minimal dollar loss which in turn results in disrupted service for thousands of subscribers.

The loss need not be determined with precision and the court need only make a reasonable estimate of the loss, based on the information available, §2F1.1, comment.(n.8), §2B1.1, comment. (n.3). A nonmonetary loss may authorize an upward departure where the loss table does fully capture the harmfulness and seriousness of the conduct, §2F1.1, comment.(n.10).

The two amendments submitted by the Postal Service are based on the principle of proportionality of harm. It is our opinion that the current guidelines do not provide for a proportional increase in the penalties for multiple victim offenses and for organized mail theft rings. In addition, the actual harm caused by the conduct may not be adequately reflected by a loss table based on pecuniary value. As proposed, our amendments are separate and distinct. The Commission may adopt the volume mail theft amendment (Amendment 35) without adopting the multiple victim amendment (Amendment 34).

Proposed Amendment 35, § 2B1.1(b)(8)

"If the offense involved an organized scheme to steal undelivered United States mail, and the offense level as determined is less than a level 14, increase to a level 14."

DESCRIPTION OF VOLUME MAIL THEFT

In the typical volume mail theft crime, the offenders target postal vehicles, letter carrier carts and satchels, collection and relay boxes, and apartment and residential mail boxes. A significant amount of mail is stolen by those involved in these organized schemes in order to obtain relatively few pieces of mail with monetary value such as checks, credit cards or other personal financial information. As an example, the average amount of mail taken during a vehicle attack is between 500 and 1000 pieces, which has an impact on hundreds of customers. The impact is even greater in collection box or relay box attacks, where 4000 to 5000 pieces of mail may be taken. Those items with value are kept and used while the remaining mail, which has no monetary value, is destroyed.

These volume mail theft crimes are not crimes of opportunity, but rather, organized schemes established for the sole purpose of stealing mail to obtain mail items with monetary value. Although these schemes include other crimes, such as forgery or fraud, the crux of the crime is the theft of large quantities of mail. These rings are comprised of individuals with specified roles in the overall scheme. They include thieves, forgers, false identification providers, fences, and the individuals who use or negotiate the checks or credit cards. A significant percentage of these crimes are committed to support drug habits. Recent intelligence also shows organized gangs are becoming involved in mail theft and use the proceeds to finance other criminal activities.

TRENDS

The volume mail theft problem is a nationwide problem, with the majority of these offenses occurring in urban areas. For example, during the past year, mail theft crimes in general decreased by 35 percent, while volume theft cases increased by over 9 percent. The increase in this category represents the most serious type of mail theft and is attributable to the criminal activities of mail theft rings.

IMPACT

When mail is stolen, it results in a significant disruption of an essential government function. In addition, these crimes destroy the public's confidence in the Postal Service as a company, which has the potential of making our customers seek alternative means of delivery. The "loss of confidence" factor is cited as grounds for an upward departure in §2F1.1, comment.(n.10).

In terms of victim impact, the theft of mail is an intrusion upon personal privacy. Further, the harm caused by the theft and destruction of large quantities of mail is disruptive both to consumers and businesses, because the mails are essential to the nation's commerce.

DETERRENCE, DEPARTURES AND REPEAT OFFENDERS

The Commission provided sentencing data which indicates 60 percent of all criminals sentenced for a mail theft related crime receive no imprisonment, 25 percent receive imprisonment of 1 to 12 months, and only 15 percent receive imprisonment of more than 12 months.

Since the majority of these volume theft offenders are sentenced to probation or receive minimal incarceration due to the low guideline range, there is no deterrent for the crime. Offenders explain the returns they obtain from the crime are worth the relatively low risk of incarceration, even if convicted. From our experience, recidivism is prevalent in these offenses, due to the low deterrence provided by the sentencing guidelines. Repeat offenders are generally the principals in these organized schemes to steal mail.

Further, this lack of a deterrent has attracted other offenders into the lucrative area of mail theft. Traditionally, many of the offenders had engaged in more violent criminal activities, such as armed robbery of banks and convenience stores. However, the sentence enhancements for crimes of violence and the use of weapons have caused these criminals to look for offenses with less risk. Mail theft offers the perfect alternative. Credit cards and checks stolen from the mail are quickly converted into cash or merchandise. Personal financial information can be used by the offenders to obtain credit cards or perpetrate some different type of financial fraud on consumers or businesses.

The shortcomings of the current guidelines are treated in a more practical manner by prosecutors, judges, and probation officers who creatively use other guidelines and

enhancements to increase the offense level. There is an inconsistency among the judicial districts, however, in the application of these guidelines and commentary. As a general rule, some districts consider the scope of the relevant conduct to include the estimated dollar loss, number of victims, and overall impact of the crime in making upward departures. In other districts, upward departures are rarely given for these types of offenses with the same offense characteristics.

As an example, the prosecutor in one district charges defendants in mail theft cases with bank fraud, in order to use the enhancements provided in the commentary regarding financial institutions. In another instance, the court considered the application of §2B1.1(b)(6), stating this guideline more appropriately fit the offender's conduct, based in large part on the "organized scheme" element, even though this guideline is applicable only to schemes to steal vehicles or vehicle parts.

Although theft of mail is a federal felony which is investigated by federal law enforcement officers and involves an instrumentality of the federal government, a significant percentage of these crimes are prosecuted in the state systems. In many instances, these cases are deferred by federal prosecutors because the state's penalties are higher and therefore more representative of the seriousness of the crime.

PREVENTIVE MEASURES

Because of the serious impact on its customers and operations, the Postal Service has aggressively implemented security measures to prevent these thefts from occurring. For example, modifications have been made to postal vehicles, and collection and relay box locking mechanisms have been reinforced. The public has been alerted by media accounts regarding the theft schemes and suggested precautions to follow to avoid being victimized.

The cost to the Postal Service to implement these preventative efforts has been substantial. As an example, in Queens, New York, the Postal Service experienced a period where one collection or relay box attack was committed each day. To remedy the box break-in problem, a modification was made to each collection and relay box in Queens at a cost of approximately \$400,000. When the thieves could no longer break into the boxes in Queens, they migrated to Brooklyn, and then Jamaica, New York. The Postal Service then modified those boxes at an approximate cost of \$250,000. In addition to the direct costs associated with the thefts, the Postal Service was required to expend an average of 16 workhours to process the customer complaints which resulted from each break-in.

Given time, most security systems can be compromised by criminals. If the system cannot be compromised, then the criminals seek alternative means to obtain the mail. In those cities where the security measures have been effective, we have seen an alarming increase in the number of armed robberies of our carriers. For example, in 1993, Los Angeles experienced 544 mail thefts from vehicles, which resulted in substantial losses. To combat the problem, some vehicles were modified with security equipment. When the thieves could not gain easy entry into the vehicles, they chose the alternative of armed robbery of the mail carriers. The number of armed robberies increased from 41 in 1992 to 91 in 1993. This trend continues to show a dramatic increase into 1994. Our Los Angeles Division reports that in the first four months of this fiscal year, 39 mail carriers have been robbed of mail or postal keys which provide access to collection and relay boxes.

ORGANIZED SCHEME

The key concept in our proposed amendment is the "organized scheme." These volume mail theft offenses satisfy the requirement of more than "minimal planning," §1B1.1(f), as repeated or multiple acts of theft which show both the intention and potential to do considerable harm. In addition, they constitute a jointly undertaken criminal activity, §1B1.3, comment.(n.3). These organized schemes are a common

plan with each participant engaging in a similar course of conduct in the series of mail thefts committed for criminal gain, §1B1.3, comment.(n.9).

COMPARISON TO §2B1.1(b)(6)

Proposed Amendment 35 is patterned after the guideline for the organized scheme to steal vehicles, §2B1.1(b)(6). The commentary to this guideline describes offense characteristics analogous to the organized scheme to steal mail. As previously described, these mail theft cases, like the organized thefts of vehicles, represent substantial criminal activity comprised of a series of multiple thefts and involve "more than minimal planning." Furthermore, the value of the mail stolen is difficult to ascertain, due to the intrinsic value of the majority of the mail stolen and its quick destruction in the course of the offense.

From sentencing data reviewed, the vehicle theft guideline has only been used in 95 cases over the past five years. We believe this is due to the extrinsic value of vehicles and corresponding high dollar loss which results from the theft of relatively few vehicles. For example, at a dollar loss of \$70,000, the resulting increase in the offense level reaches the floor offense level provided by the guideline. In comparison, a similar organized scheme offense characteristic would apply in the majority of our volume mail theft offenses. A significant dollar loss is involved in these crimes if all relevant conduct in the scheme can be considered. However, the total loss attributed to relevant conduct can only be proven at a substantial cost to the government; even if the total loss is proven, it still would not reflect the nonmonetary harm of the offense.

INADEQUACY OF §2B1.1(b)(4)

The current guideline applicable to mail theft, §2B1.1(b)(4), considers the unique character of undelivered mail by providing a two-level increase in the base offense level based on the statutory distinctions for mail theft offenses. This two-level increase establishes a floor offense level of 6, regardless of the dollar loss. As the commentary points out, this is attributed to the crime's interference with a governmental function and the difficulty in ascertaining the scope of the theft.

In volume mail theft offenses the actual harm caused by the relevant conduct is difficult to prove when measured exclusively in terms of a dollar loss and without consideration of the number of victims impacted or the intrinsic value of nonmonetary mail. Since the total harm is from factors not expressly considered by the guidelines, the resulting offense level is not commensurate with the seriousness of the offense. For these reasons, our amendment would add a specific offense characteristic to target these types of crimes as the most serious of mail theft offenses.

The volume theft amendment would establish an alternate means for determining loss based on the gravamen of the offense (e.g., mail theft rings engaged in organized schemes) rather than the dollar loss. Although the total dollar loss may be encompassed in relevant conduct, this can only be proven at a tremendous cost to the government by parading numerous victims before the court in multiple hearings on the sentencing issues. This is currently required to prove up the total loss because defendants are unwilling to stipulate or agree to other losses as relevant conduct indicative of the total harm.

The two-level enhancement currently provided by the guidelines is adequate for a simple mail theft crime as a crime of opportunity with little or no dollar loss. For the organized schemes to steal quantities of mail, however, the guidelines should provide for significantly higher floor offense level, based on the nature of the offense and increased harm.

Proposed Amendment 34, § 3A1.4:

If the offense affected more than one victim, increase the offense level as follows:

<u>Number of Victims</u>	<u>Increase in Level</u>
2-99	2
100-349	4
350-649	6
650 or more	8

The Postal Service believes the number of people affected by a crime is an important element in measuring the crime's societal harm and should be reflected in the sentencing. The current guidelines lack proportionality in the sentencing for offenses which result in multiple victims because they fail to provide for increased punishment for increased harm.

The fraud guideline, §2F1.1(b)(2) provides a specific offense characteristic and commentary on the number of victims: a two-level increase if the scheme to defraud involved more than one victim. The increase provided in this specific offense characteristic is not proportional and is an alternative to "more than minimal planning." For example, the guideline treats a fraud offense impacting two victims the same way it does a crime impacting 2,000 victims. In addition, the commentary found in §2F1.1, comment.(n.8), explains that the approximate number of victims and average loss to each victim are factors to be considered in determining the dollar loss.

Our proposed amendment provides an increase to the offense level based on the number of victims in the form of a "victim table." Since its publication in the Federal Register, we have received suggestions to provide more uniformity in the number of victims in each table range. In our proposed amendment, the first two-level increase corresponds to a maximum of 99 victims; the second increase corresponds to an additional 249 victims; the third increase corresponds to an additional 300 victims. This progression--99 to 249 to 300--has the higher offense level being driven by an increasing number of victims per range. It has been suggested the table provide for the same number of victims for each victim range, (e.g., 200 victims per range) and a corresponding two-level increase per range.

The Commission solicited public comment on the issue of multiple victims and alternative means to address this factor in the sentencing guidelines. As an alternative to our victim table as a Chapter Three adjustment, the victim table could be included as specific offense characteristic for offenses which generate a significant number of victims, such as §2B1.1 (Theft, Embezzlement) and §2F1.1 (Fraud, Forgery).

As another alternative, the Chapter Five guidelines could include a significant number of victims as specific grounds for an upward departure. As a final alternative, the Commission should assign the multiple victim issue as one of its priority study topics for the upcoming year. Should the Commission establish such a working group, the Postal Service will commit its resources to support this effort.

ADDITIONAL COMMENTS

Amendment 12(A)

We strongly disagree with the substitution of "sophisticated planning" for "more than minimal planning." We agree that a more sophisticated crime should result in a higher

offense level; however, this proposed amendment eliminates certain other elements currently contained in the "minimal planning" concept which we feel are equally important in the measurement of culpability and actual harm. For example, this amendment strikes the factor of "repeated acts" from consideration, which the current guideline states is "indicative of the intention and potential to do considerable harm." For these reasons, we oppose the proposed wording, but would support a guideline and commentary which would provide for an additional increase if the offense required complicated or sophisticated planning above those crimes involving "more than minimal planning." In addition, we would support a "sophisticated plan" concept which retains the factors of "repeated acts, a series of conduct or ongoing criminal activities," as factors currently satisfying the "sophisticated planning" requirement.

Amendment 12(B)

We agree with the increase in the base offense level for §2B1.1 to the extent it brings the loss table in conformance with that of §2F1.1. We strongly disagree, however, with the elimination of the mail theft offense characteristic, §2B1.1(b)(4). The basis for this two-level increase is the unique character of mail as the stolen property as stated in the commentary background. For a consistent application of this statutory distinction, a corresponding two-level increase above the base offense level should be provided in theft of mail offenses, regardless of the dollar loss amount. As an example, if the base offense level is increased for §2B1.1 to a 6, the specific offense characteristic for mail theft would provide a floor offense level of 8.

In the event the Commission adopts any change to the base offense level in §2B1.1, a specific offense characteristic with a corresponding two-level enhancement for the theft of undelivered mail should be maintained. Such an enhancement will establish a floor offense level for general mail theft offenses committed as crimes of opportunity as distinguished from the "organized schemes" to steal mail covered in our proposed Amendment 35.

Amendment 15

We agree with the consolidation of mail destruction guidelines under §2B1.3 with the mail theft offenses in §2B1.1. In addition, we agree with the consolidation of the destruction of mail guideline with the theft of mail in §2H3.3. As previously stated in our comment to Amendment 12(B), the base offense level in §2B1.1 should be increased if the mail is obstructed or destroyed.

Determining loss - credit card offenses, §2B1.1. Another issue of interest to the Postal Service relates to calculating the dollar loss in credit card thefts. For these theft offenses, §2B1.1, comment.(n.4), values the loss at the amount of any unauthorized charges made on the card but in no event less than \$100. In comparison, §2B1.1, comment.(n.2), provides that for checks and money orders stolen, the loss is the value of the instrument as if it had been negotiated. For consistency between these two provisions, the loss due to the theft of a credit card should be set at the credit limit of the card, as a more accurate measurement of the intended loss and harm to the consumer, merchant, and financial institution. Presently, there is an inconsistency among the judicial districts regarding valuation of loss for credit cards stolen but not used. In some instances, the value is considered the credit limit of the card, while in other instances, the loss is determined to be a maximum of \$100 per card as specified in the guideline. We ask the Commission clarify the commentary language to make the loss determination more consistent.

INDEX OF EXHIBITS

<u>EXHIBIT</u>	<u>CONTENT</u>
A	VOLUME MAIL THEFT BRIEFS
B	SENTENCING COMMISSION DATA
C	INSPECTION SERVICE VOLUME MAIL THEFT DATA
D	MEMORANDUMS OF INTERVIEW
E	VICTIM AFFIDAVITS
F	LETTER OF ENDORSEMENT - NORTHERN DISTRICT OF TEXAS
G	NEWSPAPER ARTICLES ON VOLUME MAIL THEFT
H	MAIL FRAUD CASE BRIEFS (MULTIPLE VICTIM CASES)
I	TESTIMONY OF K. M. HEARST, DEPUTY CHIEF INSPECTOR
J	INDEX OF VIDEO CLIPS
K	VIDEO

UNITED STATES POSTAL SERVICE

P. O. BOX 224985 DALLAS, TX 75222-4985

DATE: February 23, 1994

OUR REF:

SUBJECT: Sentencing guidelines amendments

TO:

Robert E. Vincent
Postal Inspector
Office of Criminal Investigations
475 L'Enfant Plaza W., S.W., Rm. 3327
Washington, DC 20260-2160

Reference is made to my previous letter dated February 11, 1994, concerning sentencing guidelines amendments.

I am attaching a more recent judgment in a Dallas criminal case which was prosecuted in the Fort Worth Division by the Northern District of Texas. Defendant Leland Stewart Anderson, ISN 735557, case No. 216-1116205-ECMT(2) was sentenced on January 24, 1994. The sentencing judge departed upwards from the sentencing guidelines. His reasons are on the last page of the judgment.

As information, the victim, Dr. Cheryl K. Anderson (unrelated to defendant), Southwestern Medical School, 5323 Harry Hines Blvd., Dallas, TX 75235-9031, advised this Service she would gladly cooperate in any legislation involving victims.


H. Herrera
Postal Inspector

Attachment

cc: Bill Cunningham
Assistant Inspector in Charge
Fort Worth, TX 76161-2929

United States District CourtNORTHERN DISTRICT OF TEXAS
Fort Worth Division**ORIGINAL**

UNITED STATES OF AMERICA

v.

JUDGMENT IN A CRIMINAL CASE
(For Offenses Committed on or After November 1, 1987)

Case Number: 4:93-CR-075-Y (1)

LELAND STEWART ANDERSON

Bill Lane, Defendant's Attorney

THE DEFENDANT pleaded guilty to count 3 of the Indictment. Accordingly, the defendant is adjudged guilty of such count, which involves the following offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count Number(s)</u>
18 USC §1708	Unlawful Possession of Stolen Mail, Class D Felony	03-13-93	3

The defendant is sentenced as provided in pages 2 through 5 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

Counts 1 and 2 are dismissed on the motion of the United States.

It is ordered that the defendant shall pay a special assessment of \$50.00, for count 3 of the Indictment, which shall be due immediately.

IT IS FURTHER ORDERED that the defendant shall notify the United States Attorney for this district within thirty (30) days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid.

Defendant's Soc. Sec. No.: 519-82-6756
Defendant's Date of Birth: April 10, 1956

January 24, 1994
Date of Imposition of Sentence

Defendant's Mailing Address:

1419 Monterrey Blvd., #129
Euless, Texas 76040

T R Means
TERRY R. MEANS
U.S. DISTRICT JUDGE

Defendant's Residence Address:

same
same

February 1, 1994
DATE

U. S. DISTRICT COURT NORTHERN DISTRICT OF TEXAS FILE FEB - 2 1994 NANCY DOHERTY, CLERK By: <i>[Signature]</i> Deputy
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[160]

Defendant: LELAND STEWART ANDERSON
Case Number: 4:93-CR-075-Y (1)

Judgment -- Page 2 of 4

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of 24 months on count 3 of the Indictment and ordered to pay a restitution in the amount of \$15,996.71.

The Court makes the following recommendations to the Bureau of Prisons: the defendant be incarcerated at a facility located in the Los Angeles County, California area or a facility close to his home.

The defendant is remanded to the custody of the United States Marshal.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____ at _____, with a
certified copy of this judgment.

United States Marshal

BY

Deputy Marshal

Defendant: LELAND STEWART ANDERSON
Case Number: 4:93-CR-075-Y (1)

Judgment -- Page 3 of 4

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of 3 years on count 1 of the Indictment.

While on supervised release, the defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. The defendant shall comply with the standard conditions that have been adopted by this Court (set forth below). This judgment imposes a restitution obligation and, it shall be a condition of supervised release that the defendant pay such restitution as set out below in the terms of supervised release. The defendant shall comply with the following additional conditions:

The defendant shall report in person to the probation office in the district to which the defendant is released within seventy-two (72) hours of release from the custody of the Bureau of Prisons.

The defendant shall not possess a firearm or destructive device.

The defendant shall participate in a mental health treatment program as approved and directed by the probation officer.

The defendant shall pay any remaining balance of the restitution in the total amount of \$15,996.71, payable to U.S. District Clerk at the rate of at least \$450.00 per month, beginning 60 days after the defendant's release from confinement.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release pursuant to this judgment, the defendant shall not commit another federal, state or local crime. addition:

1. The defendant shall not leave the judicial district without the permission of the Court or probation officer;
2. The defendant shall report to the probation officer as directed by the Court or probation officer and shall submit a truthful and complete written report within the first five (5) days of each month;
3. The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
4. The defendant shall support his or her dependents and meet other family responsibilities;
5. The defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
6. The defendant shall notify the probation officer within seventy-two (72) hours of any change in residence or employment;
7. The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
8. The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
9. The defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
10. The defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
11. The defendant shall notify the probation officer within seventy-two (72) hours of being arrested or questioned by a law enforcement officer;
12. The defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the Court;
13. As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

Defendant: LELAND STEWART ANDERSON
Case Number: 4:93-CR-075-Y (1)

Judgment -- Page 4 of 5

RESTITUTION

The defendant shall make restitution to the victims in the following amount:

<u>Name of Payee</u>	<u>Amount of Restitution</u>
Dr. Cheryl Anderson	\$1,570.00
American Express Travel Related Services Co., Inc.	\$6,278.71
Pleasant Hawaiian Holidays	\$6,548.00
Grady's Liquor Store	\$1,600.00

Payments of restitution are to be made to U. S. District Clerk. Restitution shall be in installments according to the following schedule of payments: the defendant shall pay any remaining balance of the restitution in the total amount of \$15,996.71, payable to U.S. District Clerk at the rate of at least \$450.00 per month, beginning 60 days after the defendant's release from confinement.

FINE

No Fine Imposed

STATEMENT OF REASONS**Guideline Range Determined by the Court:**

Total Offense Level: 9

Criminal History Category: II

Imprisonment Range: 6 to 12 months

Supervised Release Range: 2 to 3 years

Fine Range: \$ 1,000 to \$ 10,000 (plus cost of imprisonment/supervision)

Fine is waived or is below the guideline range because of the defendant's inability to pay.

Restitution: \$15,996.71

[163]

Defendant: LELAND STEWART ANDERSON
Case Number: 4:93-CR-075-Y (1)

The sentence departs from the guideline range for the following reasons: the defendant's arrest history dates back to 1975 and includes nineteen arrests or charges. He has absconded bond on at least ten charges and has absconded sentencing on a 1981 Embezzlement conviction. Further, he absconded supervision on a 1985 probated sentence in Randall County, Texas. U.S.S.G. §4A1.3(d) and (e) provide for an upward departure for defendants who were either pending trial or sentencing on another charge at the time of the offense or there is prior similar conduct not resulting in a criminal conviction. Both of these issues apply in this case and are cited as reasons for upward departure. Further, the Court finds that Mr. Stewart's criminal history most closely resembles a Criminal History Category V, a conservative estimate. There is no doubt Mr. Stewart's Criminal History Category would be a VI if he were convicted and sentenced on half of his pending cases. An upward departure is further warranted to protect the community from this defendant.

UNITED STATES POSTAL SERVICE

P. O. Box 224985, Dallas, TX 75222-4985

DATE: February 11, 1994

OUR REF:

SUBJECT: Sentencing Guidelines Amendments

TO: Robert E. Vincent
Postal Inspector
Office of Criminal Investigations
475 L'Enfant Plaza W., S.W., Rm. 3327
Washington, DC 20260-2160

Reference is made to your recent visit to the Dallas Domicile in reference to sentencing guidelines amendments.

Per your request, I am herewith forwarding additional specific data concerning sentences in volume loss/multiple victim cases which were prosecuted in the Dallas Division of the Northern District of Texas.

In the following three cases, the sentencing judge stayed within sentencing guidelines.

1. Defendant Glenda Kay Blevins, Case No. 202-1099743-ECMT(1), ISN 00715965, MO - Numerous thefts of mail from apartment house panel mailboxes. Date of sentencing - 11/13/92. Sentence, six months CAG, to be followed by two years supervised release. CR-3-92-361D.
2. Defendant Charles Wayne Hubbs, Case No. 202-1079728-ECMT(1), ISN 00707955, MO - Numerous thefts of mail from apartment house panel mailboxes. Date of sentencing - 03/01/93. Sentence, three years probation. CR-3-92-426X.
3. Defendant Kenneth Ray Yarbrough, Case No. 214-1112474-ECMT(1), ISN 00721564, MO - Numerous thefts of mail from apartment house panel mailboxes. Date of sentencing - 07/20/93. Sentence, 18 months CAG, to be followed with three years supervised release. 93-CR-247D.

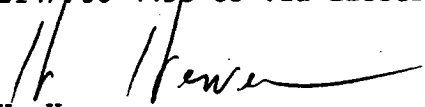
In the following cases, the sentencing judge departed upward from the sentencing guidelines. A copy of each sentence is attached. The reasons for the upward departures vary, and are listed on the last page of each judgment.

1. Defendant Michael Allen Hekimain, Case No. 211-1060409-ECMT(1), ISN 00082732, MO - Possession of numerous credit cards stolen from the mail via a postal employee. Date of sentencing - 07/26/91. Sentence, five years CAG, to be followed with three years supervised release. CR-3-91-091R.

2. Defendant Jeffrey Lynn Humphrey, Case No. 202-1077642-ECMT(1), ISN 0008222, MO - Recidivist offender; numerous thefts of mail from apartment house panel mailboxes. Date of sentencing - 04/06/92. Sentence, five years CAG, to be followed with three years supervised release. CR-3-91-395R.
3. Defendant Wayne Patrick Landrum Case No. 224-1116080-ECMT(2), ISN 00737939, MO - Broke into a postal jeep and stole mail from within. Date of sentencing - 08/13/93. Sentence, 24 months CAG. CR-3-93-181D.

I am also forwarding a judgment concerning an unusually high upward departure. Defendant A. I. Irosogie, Case No. 214-1108504-ECMT(1), ISN 00726663, MO - Theft of credit cards from the mail. Date of sentencing - 05/24/93. Sentence, 12 years 6 months CAG. CR3-92-0511X.

Should you require any additional information, feel free to contact me at 214/760-4458 or via Electronic Mail, IS1849.


H. Herrera
Postal Inspector

cc: W. G. Cunningham
AINC, Fort Worth Division

FILE

JUL 31 1991

United States District Court

NORTHERN District of TEXAS AT DALLAS

NANCY DOHERTY, CLERK

By UNITED STATES OF AMERICA
Deputy

MICHAEL A. HEKIMAIN

JUDGMENT IN A CRIMINAL CASE (For Offenses Committed On or After November 1, 1987)

Case Number: CR-3-91-091-R (1)

(Name of Defendant)

James W. Mills, III

Defendant's Attorney

THE DEFENDANT:

☒ pleaded guilty to count(s) 1 of the one-count Indictment
☐ was found guilty on count(s) _____ after a
plea of not guilty.

Accordingly, the defendant is adjudged guilty of such count(s), which involve the following offenses:

Title & Section	Nature of Offense	Date Offense Concluded	Count Number(s)
18 USC 1708	Possession of stolen credit card	12-7-90	1

The defendant is sentenced as provided in pages 2 through 5 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____
and is discharged as to such count(s).
☐ Count(s) _____ (is)(are) dismissed on the motion of the United States.
☒ It is ordered that the defendant shall pay a special assessment of \$ 50.00 for count(s) 1
which shall be due ☒ immediately ☐ as follows:

IT IS FURTHER ORDERED that the defendant shall notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid.

Defendant's Soc. Sec. No.: 449-25-1133

Defendant's Date of Birth: 12/25/54

Defendant's Mailing Address:

7777 Glen America, #134
Dallas, Texas 75225

Defendant's Residence Address:

same

July 26, 1991

Date of Imposition of Sentence

Jerry Bushmeyer

Signature of Judicial Officer

JERRY BUSHMEYER

UNITED STATES DISTRICT JUDGE

Name & Title of Judicial Officer

Certified a true copy of an indictment

JUL 31 1991

Date

Andette Lydick

[167]

Defendant: **BEKIMAIN, MICHAEL A.**
Case Number: **CR-3-91-091-R (1)**

Judgment—Page 2 of 5**IMPRISONMENT**

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of sixty (60) months

☒ The court makes the following recommendations to the Bureau of Prisons:

That the defendant be incarcerated at the Federal Correctional Institute at Seagoville, Texas.

- ☐ The defendant is remanded to the custody of the United States marshal.
☐ The defendant shall surrender to the United States marshal for this district.

☐ at _____ a.m.
☐ at _____ p.m. on _____
☐ as notified by the United States marshal.

☒ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons.

☒ before 2 p.m. on August 7, 1991.
☐ as notified by the United States marshal.
☐ as notified by the probation office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____ at _____

_____, with a certified copy of this judgment.

United States Marshal

By _____

Deputy Marshal

[168]

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of three (3) Years

While on supervised release, the defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. The defendant shall comply with the standard conditions that have been adopted by this court (set forth below). If this judgment imposes a restitution obligation, it shall be a condition of supervised release that the defendant pay any such restitution that remains unpaid at the commencement of the term of supervised release. The defendant shall comply with the following additional conditions:

☒ The defendant shall report in person to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

☐ The defendant shall pay any fines that remain unpaid at the commencement of the term of supervised release.

☒ The defendant shall not possess a firearm or destructive device.

The defendant shall make restitution in the amount of \$3,696.76 payable to the U.S. District Clerk for disbursement to the victims listed in the presentence report at the rate of \$125.00 per month, beginning 30 days after release from custody.

The defendant shall refrain from incurring new credit charges or opening additional lines of credit without approval of the probation officer unless the probation officer makes a determination that the defendant is in compliance with the payment schedule.

The defendant shall provide to the probation officer any requested financial information.

The defendant shall participate in group counseling programs as directed by the probation office. The defendant shall submit to urine surveillance to determine if the defendant has become involved in the use of illegal drugs.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release pursuant to this judgment, the defendant shall not commit another federal, state or local crime. In addition:

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer within 72 hours of any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

Defendant: **HEKIMAIN, MICHAEL A.**
Case Number: **CR-3-91-091-R (1)**

Judgment—Page 4 of 5**RESTITUTION AND FORFEITURE****RESTITUTION**

☒ The defendant shall make restitution to the following persons in the following amounts:

Name of Payee**Amount of Restitution**

Clerk of U. S. District Court
Northern District of Texas
1100 Commerce St., Room 14A20
Dallas, Texas 75242

\$3,696.76

For Disbursement To:

First Data Resources
Omaha, Nebraska
Attn: Gene Parmenter
Re: Visa Account 4233-2720-2008-2877 (Pentagon Federal Credit Union)

Payments of restitution are to be made to:

- ☐ the United States Attorney for transfer to the payee(s).
☒ the payee(s).

Restitution shall be paid:

- ☐ in full immediately.
☐ in full not later than _____.
☐ in equal monthly installments over a period of _____ months. The first payment is due on the date of this judgment. Subsequent payments are due monthly thereafter.

☒ in installments according to the following schedule of payments:

\$125.00 per month, beginning 30 days after release from custody.

Any payment shall be divided proportionately among the payees named unless otherwise specified here.

FORFEITURE

☐ The defendant is ordered to forfeit the following property to the United States:

[170]

Defendant: **HEKIMAIN, MICHAEL A.**
Case Number: **CR-3-91-091-R (1)**

Judgment—Page 5 of 5

STATEMENT OF REASONS

☒ The court adopts the factual findings and guideline application in the presentence report.

OR

☐ The court adopts the factual findings and guideline application in the presentence report except (see attachment, if necessary):

Guideline Range Determined by the Court:

Total Offense Level: 5

Criminal History Category: VI

Imprisonment Range: 9 to 15 months

Supervised Release Range: 2 to 3 years

Fine Range: \$ 250.00 to \$ 8,893.00

☒ Fine is waived or is below the guideline range, because of the defendant's inability to pay.

Restitution: \$ 3,696.76

☐ Full restitution is not ordered for the following reason(s):

☐ The sentence is within the guideline range, that range does not exceed 24 months, and the court finds no reason to depart from the sentence called for by application of the guidelines.

OR

☐ The sentence is within the guideline range, that range exceeds 24 months, and the sentence is imposed for the following reason(s):

OR

The sentence departs from the guideline range

☐ upon motion of the government, as a result of defendant's substantial assistance.

☒ for the following reason(s):

The defendant has one of the longest criminal history records the Court has ever seen.

The defendant has an extensive history of credit card abuse.

The defendant's criminal history category is not reflected adequately.

United States District Court

NORTHERN District of TEXAS AT DALLAS

UNITED STATES OF AMERICA

V.

JEFFREY LYNN HUMPHREY

(Name of Defendant)

JUDGMENT IN A CRIMINAL CASE (For Offenses Committed On or After November 1, 1987)

Case Number: CR3-91-395-R (1)

L. Ray Pearce

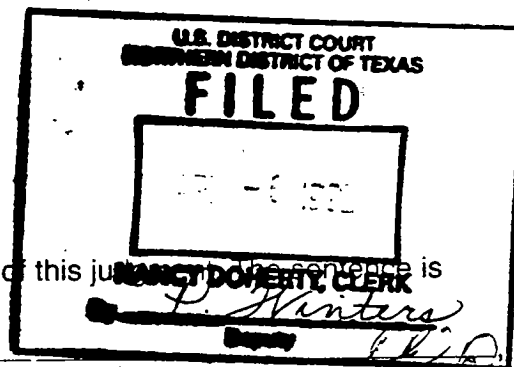
Defendant's Attorney

THE DEFENDANT:

- ☒ pleaded guilty to ~~counts~~ the one-count information after a
☐ was found guilty on count(s) _____
 plea of not guilty.

Accordingly, the defendant is adjudged guilty of such count(s), which involve the following offenses:

Title & Section	Nature of Offense	Date Offense Concluded	Count Number(s)
18 U.S.C. 1708	Possession of stolen mail	5-31-91	1



The defendant is sentenced as provided in pages 2 through 5 of this judgment and sentence is imposed pursuant to the Sentencing Reform Act of 1984.

- ☐ The defendant has been found not guilty on count(s) _____ and is discharged as to such count(s).
☐ Count(s) _____ (is)(are) dismissed on the motion of the United States.
☒ It is ordered that the defendant shall pay a special assessment of \$ 50.00, for count(s) 1, which shall be due ☒ immediately ☐ as follows:

No fine is assessed.

IT IS FURTHER ORDERED that the defendant shall notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid.

Defendant's Soc. Sec. No.: 464-21-9380

Defendant's Date of Birth: 5/22/58

Defendant's Mailing Address:

Route 3, Box 436D

Paris, Texas 75460

Defendant's Residence Address:

SAME

April 3, 1992

Date of Imposition of Sentence

Jerry Buchmeyer
 Signature of Judicial Officer

JERRY BUCHMEYER, UNITED STATES DISTRICT JUDGE

Name & Title of Judicial Officer

April 6, 1992
 Date

Defendant: JEFFREY LYNN HUMPHREY
 Case Number: CR3-91-395-R (1)

Judgment—Page 2 of 5

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of sixty (60) months to run concurrently with the state sentence he is serving.

☒ The court makes the following recommendations to the Bureau of Prisons:

Institution with drug treatment facility

☒ The defendant is remanded to the custody of the United States marshal.
☐ The defendant shall surrender to the United States marshal for this district,

☐ at _____ a.m.
☐ at _____ p.m. on _____
☐ as notified by the United States marshal.

☐ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons,
☐ before 2 p.m. on _____
☐ as notified by the United States marshal.
☐ as notified by the probation office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____ at _____

_____, with a certified copy of this judgment.

 United States Marshal

By _____
 Deputy Marshal

[173]

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of three (3) years

While on supervised release, the defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. The defendant shall comply with the standard conditions that have been adopted by this court (set forth below). If this judgment imposes a restitution obligation, it shall be a condition of supervised release that the defendant pay any such restitution that remains unpaid at the commencement of the term of supervised release. The defendant shall comply with the following additional conditions:

☒ The defendant shall report in person to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

☐ The defendant shall pay any fines that remain unpaid at the commencement of the term of supervised release.

☒ The defendant shall not possess a firearm or destructive device.

The defendant shall make restitution in the amount of \$850, payable to the U.S. District Clerk for disbursement to Northpark National Bank, 1300 Northpark Center, Dallas, Texas 75225 at a rate to be determined by the probation officer.

The defendant shall refrain from incurring new credit charges or opening additional lines of credit without approval of the probation officer unless the probation officer makes a determination that the defendant is in compliance with the payment schedule.

The defendant shall provide to the probation officer any requested financial information.

The defendant shall participate in a program approved by the U.S. Probation Office for treatment of narcotic addiction or drug or alcohol dependency which will include testing for the detection of substance use or abuse.

The defendant shall participate in group counseling programs as directed by the probation office.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release pursuant to this judgment, the defendant shall not commit another federal, state or local crime. In addition:

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer within 72 hours of any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

Defendant: **JEFFREY LYNN HUMPHREY**
Case Number: **CR3-91-395-R (1)**

RESTITUTION AND FORFEITURE

RESTITUTION

☒ The defendant shall make restitution to the following persons in the following amounts:

Name of Payee

Amount of Restitution

As set forth in conditions of supervised release.

Payments of restitution are to be made to:

- ☐ the United States Attorney for transfer to the payee(s).
- ☐ the payee(s).

Restitution shall be paid:

- ☐ in full immediately.
- ☐ in full not later than _____.
- ☐ in equal monthly installments over a period of _____ months. The first payment is due on the date of this judgment. Subsequent payments are due monthly thereafter.
- ☐ in installments according to the following schedule of payments:

Any payment shall be divided proportionately among the payees named unless otherwise specified here.

FORFEITURE

- ☐ The defendant is ordered to forfeit the following property to the United States:

Defendant: JEFFREY LYNN HUMPHREY
Case Number: CR3-91-395-R (1)

Judgment—Page 5 of 5

STATEMENT OF REASONS

☒ The court adopts the factual findings and guideline application in the presentence report.

OR

☐ The court adopts the factual findings and guideline application in the presentence report except (see attachment, if necessary):

Guideline Range Determined by the Court:

Total Offense Level: 11

Criminal History Category: VI

Imprisonment Range: 27 to 33 months

Supervised Release Range: 2 to 3 years

Fine Range: \$ 2,000 to \$ 20,000

☐ Fine is waived or is below the guideline range, because of the defendant's inability to pay.

Restitution: \$ 850. Northpark National Bank

☐ Full restitution is not ordered for the following reason(s):

☐ The sentence is within the guideline range, that range does not exceed 24 months, and the court finds no reason to depart from the sentence called for by application of the guidelines.

OR

☐ The sentence is within the guideline range, that range exceeds 24 months, and the sentence is imposed for the following reason(s):

OR

The sentence departs from the guideline range

☐ upon motion of the government, as a result of defendant's substantial assistance.

☒ for the following reason(s): guidelines do not adequately take into account the defendant's significant prior history and likelihood of recidivism

United States District Court

NORTHERN

District of TEXAS AT DALLAS

UNITED STATES OF AMERICA

V.

WAYNE PATRICK LANDRUM

(Name of Defendant)

JUDGMENT IN A CRIMINAL CASE

(For Offenses Committed On or After November 1, 1987)

Case Number: 3:93-CR-181-D (01)

FRANKLYN D. MICKELSEN

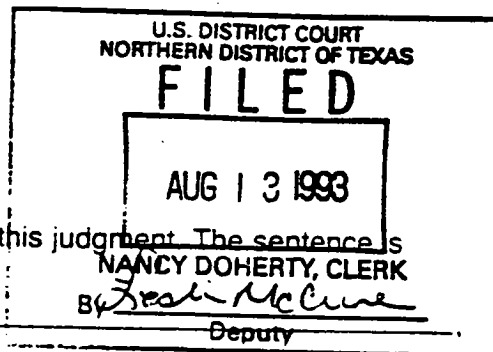
Defendant's Attorney

THE DEFENDANT:

☒ pleaded guilty to count(s) 1 of 3 Count Indictment
☐ was found guilty on count(s) _____ after a
 plea of not guilty.

Accordingly, the defendant is adjudged guilty of such count(s), which involve the following offenses:

Title & Section	Nature of Offense	Date Offense Concluded	Count Number(s)
18:1708	Theft of U.S. Mail	03/15/93	1



The defendant is sentenced as provided in pages 2 through 4 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____ and is discharged as to such count(s).
☒ Count(s) 2 and 3 ~~(is)~~ (are) dismissed on the motion of the United States.
☒ It is ordered that the defendant shall pay a special assessment of \$ 50.00 for count(s) 1, which shall be due ☒ immediately ☐ as follows:

IT IS FURTHER ORDERED that the defendant shall notify the United States attorney for this district within 30 days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid.

Defendant's Soc. Sec. No.: 463-60-9517Defendant's Date of Birth: October 28, 1942

Defendant's Mailing Address:

13525 GoodwaterDallas, TX 75234

Defendant's Residence Address:

Certified a true copy of an instrument

filed in my office on 8-13-93NANCY DOHERTY, Clerk, U.S. District
Court, Northern District of Texas

August 13, 1993

Date of Imposition of Sentence

[Signature]

Signature of Judicial Officer

SIDNEY A. FITZWATER, UNITED STATES DISTRICT

Name & Title of Judicial Officer

JUDGE

August 13, 1993

Date

[150]

Defendant: WAYNE PATRICK LANDRUM (01)
Case Number: 3:93-CR-181-D

Judgment—Page 2 of 4

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of Twenty-four (24) months

☒ The court makes the following recommendations to the Bureau of Prisons:

Defendant be assigned to an institution where he ^{can} participate in the comprehensive drug treatment program.

- ☒ The defendant is remanded to the custody of the United States marshal.
☐ The defendant shall surrender to the United States marshal for this district.

☐ at _____ a.m.
☐ p.m. on _____
☐ as notified by the United States marshal.

- ☐ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons.
☐ before 2 p.m. on _____
☐ as notified by the United States marshal.
☐ as notified by the probation office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____ at _____

_____, with a certified copy of this judgment.

United States Marshal

By _____

Deputy Marshal

[151]

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of _____
Three (3) years

While on supervised release, the defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. The defendant shall comply with the standard conditions that have been adopted by this court (set forth below). If this judgment imposes a restitution obligation, it shall be a condition of supervised release that the defendant pay any such restitution that remains unpaid at the commencement of the term of supervised release. The defendant shall comply with the following additional conditions:

- ☒ The defendant shall report in person to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.
- ☐ The defendant shall pay any fines that remain unpaid at the commencement of the term of supervised release.
- ☒ The defendant shall not possess a firearm or destructive device.

The defendant shall participate in a program approved by the U.S. Probation Office for treatment of narcotic or drug or alcohol dependency which will include testing for the detection of substance use or abuse. It is ordered that the defendant contribute to the costs of services rendered in an amount to be determined by the probation officer, based on ability to pay or availability of third-party payment.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release pursuant to this judgment, the defendant shall not commit another federal, state or local crime. In addition:

- 1) the defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependents and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer within 72 hours of any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

Defendant: WAYNE PATRICK LANDRUM (01)
Case Number: 3:93-CR-181-D

Judgment - Page 4 of 4

STATEMENT OF REASONS

☒ The court adopts the factual findings and guideline application in the presentence report.

OR

☐ The court adopts the factual findings and guideline application in the presentence report except (see attachment, if necessary):

Guideline Range Determined by the Court:

Total Offense Level: 4

Criminal History Category: VI

Imprisonment Range: 6 to 12 months

Supervised Release Range: 2 to 3 years

Fine Range: \$ 250 to \$ 5,000

☒ Fine is waived or is below the guideline range, because of the defendant's inability to pay.

Restitution: \$ N/A

☐ Full restitution is not ordered for the following reason(s):

☐ The sentence is within the guideline range, that range does not exceed 24 months, and the court finds no reason to depart from the sentence called for by application of the guidelines.

OR

☐ The sentence is within the guideline range, that range exceeds 24 months, and the sentence is imposed for the following reason(s):

OR

The sentence departs from the guideline range (upward)

☐ upon motion of the government, as a result of defendant's substantial assistance.

☒ for the following reason(s):

- 1) Based on 4A1.3, to adequately represent the defendant's criminal history, the Court departs to Level 9.
- 2) To adequately address the defendant's drug problem and in light of the fact that the Bureau of Prisons substance abuse program is 18 months in duration, a sentence outside the guideline range is warranted.

United States District Court

NORTHERN DISTRICT OF TEXAS
Dallas Division

UNITED STATES OF AMERICA

v.

ARCHIE ISIBORE EMMANUEL ROSOGIE

THE DEFENDANT:

- ☒ pleaded guilty to count(s) 1, 5 and 8.
☐ was found guilty on count(s) _____ after a plea of not guilty.

Accordingly, the defendant is adjudged guilty of such count(s), which involve the following offenses.

Title & Section	Nature of Offense	Date Offense Concluded	Deputy	Count Number(s)
18 U.S.C. § 1708	Possession of Stolen Mail	November 11, 1992		1
8 U.S.C. § 1326	Unlawfully Remaining in the United States after Deportation	November 11, 1992		5
18 U.S.C. § 1542	False Statement on a Passport Application	January 9, 1991		8

The defendant is sentenced as provided in pages 2 through 5 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

☐ The defendant has been found not guilty on count(s) _____ and is discharged as to such count(s).
Count(s) 2, 3, 4, 6, 7, 9, 10, 11 are dismissed on the motion of the United States.

☒ It is ordered that the defendant shall pay a special assessment of \$ 150.00, for count(s) 1, 5, and 8, which shall be due ☒ immediately ☐ as follows:

IT IS FURTHER ORDERED that the defendant shall notify the United States attorney for this district within thirty (30) days of any change of name, residence, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid.

Defendant's Soc. Sec. No.: Unknown
Defendant's Date of Birth: 10-10-63

Defendant's Mailing Address:

2307 Redbrook
Arlington, TX 76061

Defendant's Residence Address:

Same as above.

Case Number:

3:92-CR-0511-X

Clint Broden, FPD
Defendant's Attorney

U. S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
MAY 28 1993
By NANCY DOHERTY CLERK

May 24, 1993

Date of Imposition of Sentence

Joe Kendall
Signature of Judicial Officer

JOE KENDALL, UNITED STATES DISTRICT JUDGE
Name & Title of Judicial Officer

May 28, 1993

Date

Certified a true copy of an instrument
on file in my office on 6-1-93
NANCY DOHERTY, Clerk, U.S. District
Court, Northern District of Texas
By SPENCER Deputy

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of 150 months.

- ☐ The court makes the following recommendations to the Bureau of Prisons:
- ☒ The defendant is remanded to the custody of the United States marshal.
- ☐ The defendant shall surrender to the United States marshal for this district,
- ☐ at am./pm. on .
- ☐ as notified by the United States marshal.
- ☐ The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons,
- ☐ before 2 p.m. on .
- ☐ as notified by the United States marshal.
- ☐ as notified by the probation office.

RETURN

I have executed this judgment as follows:

Defendant delivered on 8-12-93 to FLE FLE at Ft Worth, CO, with a certified copy of this judgment.

Tom L. Wooten, WARDEN
~~United States Marshal~~

BY [Signature]
~~Deputy Marshal~~

U. S. DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
FILED
OCT 29 1993
NANCY DOHERTY, CLERK
By
Deputy

Defendant: ARCHIE ISIBORE EMMANUEL ROSOGIE
Case Number: 3:92-CR-0511-X (01)

Judgment - Page 3 of 5

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of 30 months.

While on supervised release, the defendant shall not commit another federal, state, or local crime and shall not illegally possess a controlled substance. The defendant shall comply with the standard conditions that have been adopted by this court (set forth below). If this judgment imposes a restitution obligation, it shall be a condition of supervised release that the defendant pay any such restitution that remains unpaid at the commencement of the term of supervised release. The defendant shall comply with the following additional conditions:

- ☒ The defendant shall report in person to the probation office in the district to which the defendant is released within seventy-two (72) hours of release from the custody of the Bureau of Prisons.
- ☐ The defendant shall pay any fines that remain unpaid at the commencement of the term of supervised release.
- ☒ The defendant shall not possess a firearm or destructive device.
- X The defendant shall provide to the probation officer any requested financial information.
- X The defendant shall not illegally reenter the United States, if deported.

The defendant shall submit to urine surveillance to determine if the defendant has become involved in the use of illegal drugs.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release pursuant to this judgment, the defendant shall not commit another federal, state or local crime. In addition:

1. the defendant shall not leave the judicial district without the permission of the court or probation officer;
2. the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five (5) days of each month;
3. the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
4. the defendant shall support his or her dependents and meet other family responsibilities;
5. the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
6. the defendant shall notify the probation officer within seventy-two (72) hours of any change in residence or employment;
7. the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
8. the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
9. the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
10. the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
12. The defendant shall notify the probation officer within seventy-two (72) hours of being arrested or questioned by a law enforcement officer;
12. the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
13. as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

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RESTITUTION AND FORFEITURE

RESTITUTION

- ☒ The defendant shall make restitution for the following persons in the following amount:

<u>Name of Payee</u>	<u>Amount of Restitution</u>
Household Credit Services P.O. Box 80055 Salinas, CA 93912-055 Attn: Fraud Department Card No. 5437-0004-0415-7549	\$6,992.59
Household Credit Services P.O. Box 80055 Salinas, CA 93912-055 Attn: Fraud Department Card No. 5437-0004-0392-9773	\$6,900.00
Discover Card P.O. Box 29024 Phoenix, AZ 85038-9024 Attn: Cletus Bottrell	\$ 535.40
Visa 2223 Dodge Orlan, NE 68102	\$ 12.96

Payments of restitution are to be made to:

- ☒ the U. S. Clerk for transfer to the payee(s).
☐ the payee(s).

Restitution shall be paid:

- ☐ in full immediately.
☐ in full not later than ____.
☒ in equal monthly installments over a period of 30 months.
☐ in installments according to the following schedule of payments:

Any payment shall be divided proportionately among the payees named unless otherwise specified here.

STATEMENT OF REASONS

☒ The court adopts the factual findings and guideline application in the presentence report.

OR

☐ The court adopts the factual findings and guideline application in the presentence report except (see attachment, if necessary):

Guideline Range Determined by the Court:

Total Offense Level: 13

Criminal History Category: VI

Imprisonment Range: 33 to 41 months

Supervised Release Range: 2 to 3 years

Fine Range: \$ 3,000 to \$ 30,000

☒ Fine is waived or is below the guideline range, because of the defendant's inability to pay.

Restitution: \$ 14,440.95

☐ Full restitution is not ordered for the following reason(s):

☐ The sentence is within the guideline range, that range does not exceed twenty-four (24) months, and the court finds no reason to depart from the sentence called for by application of the guidelines.

OR

☐ The sentence is within the guideline range, that range exceeds twenty-four (24) months, and the sentence is imposed for the following reason(s):

OR

The sentence departs from the guideline range

☐ upon motion of the government, as a result of defendant's substantial assistance.

☒ for the following reasons:

The Court grants a one-level downward departure based on 5k1.1 motion for substantial assistance; upward departure based on criminal history which under represents recidivism and type of crimes in criminal history reflects likelihood of recidivism. Criminal history understates seriousness of crime committed. Risk of recidivism is high. Total offense level is 26. Criminal history category is VI. November 1, 1992, amendment under USSG 4A1.3 directs the sentencing judge to go down the sentencing grid to establish the appropriate sentence.

UNITED STATES POSTAL SERVICE

DATE: February 24, 1994
OUR REF: SAL:bjl
SUBJECT: EXTERNAL CRIME BRIEFS

TO: Bob Vincent
Postal Inspector
Washington, D.C.

BRIEF

Case Nos. 201-1042011-ECMT(1), 201-1085848-ECMT(1), 201-1131292-ECMT(1)

Gang Activity of "The Circle", Phoenix, AZ

Beginning in January, 1990 the U.S. Postal Inspection Service, Phoenix, AZ began an investigation into the activities of a "check washing" gang operating in Phoenix, AZ. The group had its origin in "dumpster diving" to obtain discarded old checks and printer's check stock. They developed a system of soaking (washing) checks to remove ball-point ink without damaging the printer's ink. They then began breaking into apartment complex mailboxes, Neighborhood Delivery Collection Box Units, and Collection Boxes to obtain more current checks. They would obtain incoming boxes of checks, credit cards, and numerous forms of identification.

The gang, at its height, were breaking into 3-4 units per night. The organization was controlled by methamphetamine distributors, who belonged to the Aryan Brotherhood, a white supremacist group. It had seven "inner circles". Each circle had a leader, an enforcer, and a recruiter. Five of the circles were concentrating on check washing while the other two concentrated on counterfeiting checks. There have been four homicides associated to "The Circle".

Members of the circle were recruited from the drug culture or from the homeless population. On occasion a person digging through trash would be approached and given money. They were instructed to get cleaned up and meet again the next day for additional money. These people would then be sent into a bank to cash "washed checks" that had been made payable to them. Hundred of citizens experience bounced checks, overdraft fees, and bad credit reports as a result of this scheme.

During the past three years bank officials estimate they have lost in excess of \$6 million to check washing and counterfeit checks in the Phoenix metro area. Approximately eighty (80) people have been arrested in this case to date, including "The Circle" leader and the leaders of the seven "inner circles". Of the approximately 50 Inspection Service arrests, 5 have been handled Federally with the greatest sentence being three years and the others received probation. All the other cases have been handled by the State of Arizona with the average sentence being seven years hard time. The leader of the group received a 25 year sentence in Superior Court for the State of Arizona.

Steve A. Landis
Postal Inspector
ISN 2109
Phoenix Division

(Video of news coverage to follow)

UNITED STATES POSTAL SERVICE

DATE: February 24, 1994
OUR REF: DH:bjl
SUBJECT: EXTERNAL CRIME BRIEFS

TO: Bob Vincent
Postal Inspector
Washington, D.C.

BRIEF

Case No. 201-1121089-ECMT(1)

Vehicle Breakins

The Phoenix Division began investigating a series of 10 U.S. Postal Service vehicle break-ins between May 15, 1993 and July 2, 1993. In each case the method of operation was similar. The letter carrier arrived at the delivery area, parked and locked the vehicle on a city street. While the carrier delivered the mail on foot, and was away from the vehicle, a male suspect would approach the vehicle and throw a large rock through the vehicle's window. The suspect would then remove all the mail from the Postal vehicle. The suspect would place the mail into a waiting vehicle, occupied by at least one other person.

From a vehicle breakin on June 18, 1993, Inspectors were able to lift a latent palmprint. This palmprint led to the identification of the suspect. Inspectors began surveilling a residence, believed to be frequented by the subject.

On July 2, 1993, Phoenix Postal Inspectors apprehended three suspects who had in their possession, mail stolen from a USPS vehicle breakin which occurred about one hour prior to their arrest.

Suspect No. 1, who had an extensive criminal history plead to one count of Possession of Stolen Mail (18 USC 1708) and received 10 months in prison.

Suspect No. 2, who was on Federal Parole for mail fraud, and also had an extensive criminal history went to trial and was convicted of Possession of Stolen Mail (18 USC 1708) and subsequently was sentenced to 12 months in prison.

Suspect No. 3, has a minor criminal history and has plead guilty and is awaiting sentencing.

Judge Earl Carrol, Senior Presiding Judge, U.S. District Court, District of Arizona, was very upset at the sentencing of both suspects No. 1 and No. 2. Judge Carrol informed both defendants the statute calls for a maximum of 5 years imprisonment, however, according to the Federal Sentencing guidelines, the maximum sentence he could impose on Suspect No. 1 was 10 months, which he did, and the maximum sentence he could impose on suspect No. 2 was 12 months, which he did. Judge Carrol advised both defendants, if he were able to impose the maximum 5 years sentence as called for in the statute, he would have.

D. Hilburn
Postal Inspector
ISN 4707
Phoenix Division

Beginning March 31, and continuing through April 23, 1993, the Postal Service reported thirteen (13) incidents where U.S. Mail had been stolen from U.S. Mail Storage boxes in the Flushing area of Queens, NY. In all of these thefts, no damage or forced entry to the storage boxes was noted.

On April 15, 1993, an Inspection Service confidential informant was introduced to an individual Christopher Myers at Myers' residence, 14-30 155th Street, Whitestone, N.Y.. During this meeting, recorded and monitored by Postal Inspectors, Christopher Myers agreed to produce a counterfeit New York State driver's license that would contain the photograph of the confidential informant. While in the process of producing this counterfeit identification, the informant witnessed Christopher Myers in possession of a postal "Arrow" key, which Myers admitted to using to steal U.S. Mail from storage boxes, and numerous stolen checks and credit cards.

On April 20, 1993, the confidential informant introduced an undercover Postal Inspector, posing as a owner of a collusive check cashing establishment, to Christopher Myers. During this meeting, Myers sold to the undercover six (6) stolen checks, including four (4) U.S. Treasury Checks and one (1) New York State Unemployment check. All six (6) of the checks bear dates and have addressees which were effected during thefts from U.S. Mail storage boxes located in Flushing Queens earlier in April.

On April 28, 1993, the undercover Postal Inspector again meet with Christopher Myers and purchases from Myers nine (9) additional checks. A review of the addressees listed on these checks indicated that they were from two (2) storage boxes where mail was stolen on April 23, 1993 in Flushing Queens.

On April 29, 1993, a federal search warrant was executed at Myers' residence by Postal Inspectors and U.S. Secret Service Agents. Christopher Myers was present during the execution of the search and was placed under arrest. Found incident to the search of Myers' residence where the following items:

- A U.S. Mail postal "Arrow" key
- Four (4) sacks of U.S. Mail from two storage box thefts occurring on April 23, 1993.
- One compact paper shredder with one bag of shredded mail.
- Numerous counterfeit New York State driver's licenses
- Four (4) handguns and ten (10) rifles and shotguns

On July 15, 1993, Myers was indicted in the Eastern District of New York, Brooklyn, N.Y. on one (1) count each of Theft of Mail (18USC 1708), Possession of a stolen key used by the U.S. Postal Service (18USC 1704), Unauthorized use of an access device (18USC 1029), and Interstate transportation of firearms (18USC 922). On October 15, 1993, at the insistence of the Assistant U.S. Attorney, Myers entered a plea of guilty to the one firearms count due to the higher exposure under the sentencing guidelines (8 to 14 months vs. 0 to 6 months). On January 07, 1994, Myers' sentencing was postponed when U.S. District Court Judge Reena Raggi questioned whether the plea to the firearms count was proper in light of the mail theft investigation and the defense's request for a reduction in the sentencing guideline under the "sportsman's" provision for firearm offenses. On February 25, 1994, after the defense withdrew their guideline reduction request, Myers was sentenced to twelve (12) months incarceration and three (3) years supervised probation by Judge Raggi.

UNITED STATES POSTAL SERVICE

POSTAL INSPECTORS

BROOKLYN GMF, 1050 FORBELL ST, BKLYN, NY 11256-9901

DATE: February 23, 1994

OUR REF: See Below

SUBJECT: Sentencing Guidelines

TO: Insp. L. J. Kennedy

Listed below are three (3) cases in which prosecution was completed in U.S. District Court EDNY. Any further questions please contact me.

Case No. 216-1087076 ECMT(2)

This case was initially referred to me by the Internal Crimes Inspectors, after an arrest of a non-postal employee. Residents in 1200 Neck Road, Brooklyn, NY 11229 were experiencing non-receipt of credit cards and fraudulent requests for credit cards in their name. Subsequent to the investigation it was revealed that the Defendant, Emanuel Fischler had also obtained three (3) mail drops in various names using phoney corporations and assuming the identity of numerous persons including two deceased persons. Mr. Fischler was responsible for in excess of twenty (20) fraudulent applications for credit cards and the theft of at least fifteen (15) other credit cards. the total loss to various Credit Card Companies and banks is in excess of \$69,000. Mr. Fischler has pled guilty in Federal court. Since his plea of guilty, Mr. Fischler has agreed to cooperate in an investigation involving H.U.D. Housing and NYC Rent Stabilization Fraud. Defendant sentenced to three years probation and restitution.

Case No. 203-1092398 ECMT(1)

This case initiated by complaints to me by Chemical Bank. The defendant Danillo Marte was responsible for depositing and withdrawing over \$143,000.00 in stolen checks into his bank account. The investigation revealed that all of the checks deposited were stolen from relay boxes and jeep attacks in Brooklyn and Queens, NY. Mr. Marte agreed to attempt to set up the persons responsible for bringing him the stolen checks. This met with negative results. Mr. Marte has pled guilty in Federal Court and was sentenced to five months in prison, five months home detention and five years probation.

Case No. 206-1114520 ECMT(2)

This case was initiated on a customer complaint from Brooklyn, NY 11223. The subject Vladimir Kourbatski, a Russian, was involved with others in the organized theft of checks from the mail and the depositing and attempted withdrawal of the money from banks in New York City. Mr. Kourbatski and

others would open fraudulent bank accounts with Citibank and the Dime Savings Bank. I was aware of this as it was happening. Mr. Kourbatski was arrested as he attempted to withdraw \$9,600 from the Dime Savings Bank in Brooklyn. He was not able to withdraw the \$69,000 from the Citibank account. Mr. Kourbatski went to trial in the U.S. District Court, EDNY was convicted and sentenced to eleven months prison and three months probation and will be deported after finishing sentence.

R. T. Wolff

R. T. Wolff
Postal Inspector
(718) 348-3727

/gc

FROM: INSP. W. L. STABILE

VOLUME MAIL THEFT SENTENCING PROJECT

CASE NO. 202-1105484 ECMT(1) Between April 1992 and October 1992, defendant Kamour-Deem Laval defrauded Citibank by fraudulently opening approximately eight bank accounts using false names and fraudulent identification documents. He would deposit stolen, forged and fraudulently endorsed checks and subsequently withdraw these monies through the use of automated teller machines. Numerous treasury checks stolen from postal relay boxes or carrier carts were some of the negotiable items deposited into these accounts. There were no leads which led us to believe that the defendant actively participated in the actual theft of these checks. It appears he was just one member of a gang of mail thieves who would steal checks from relay boxes. His role in the gang would be to open bank accounts in other peoples' names and deposit the checks before withdrawing the monies. Due to the lack of cooperation from the defendant we were unable to determine who the actual relay box thieves were. It was determined through cross referencing checks and accounts that the total loss to various financial institutions exceeded \$1,000,000.00. Because we could not determine the extent of the defendants knowledge pertaining to the scheme we could not hold him accountable for losses in excess of those he participated in. The actual loss directly connected to the defendant was \$360,916.13. The defendant was sentenced April 16, 1993 in Federal Court in the Eastern District of New York to fifteen months in prison. Further investigation led us to the arrest of another individual connected to the gang case. Defendant Isiako Ganiyu was arraigned in Federal Court on March 9, 1993 but prosecution is pending. It has been determined that he was a co-conspirator with Laval in the opening of these fraudulent bank accounts. No evidence has determined whether Ganiyu was involved in the actual relay box attacks.

END:1

214-1104637-ECMT

A loose knit group of Dominicans residing in the Corona area of Queens have been responsible for several hundred volume mail thefts throughout the NY area since 1990. Different "crews" were identified going out and stealing mail. The individuals responsible for the thefts had many things in common including modus operandi, fences, and hangouts. The different crews knew each other and shared information such as the best area to steal mail or if an area was "hot" and should be avoided. The following are individuals arrested during the course of this investigation.

Cecilio Adames - Paulino was arrested after the Inspection Service received information that he and another Dominican had stolen a large quantity of mail. He was arrested in front of his residence in possession of several thousand pieces of mail stolen earlier from 2 relay boxes. Twenty-three US Treasury checks and four credit cards were found in his pocket.

Adames- Paulino admitted being a member of a "crew" that stole mail on over 50 occasions from relay boxes and jeeps throughout NYC. His cooperation did not go beyond an oral admission. He pled guilty and received a 7 month prison sentence.

Jose Sanchez was also a member of a "crew" that stole mail from relay boxes on numerous occasions. He was arrested in December, 1992, after his vehicle was described at a relay theft. He admitted involvement in that theft and about 15 others in which thousands of pieces of mail were stolen. Sanchez was arrested again on 5/21/93 after selling a stolen non receipt credit card to an undercover agent. He was arrested again on 5/23/93 after he was identified at a relay box theft. Sanchez pled guilty on 11/4/93 and received a sentence of 30 day home-confinement and 3 years probation.

U S P O S T A L I N S P E C T I O N S E R V I C E
E L E C T R O N I C M E S S A G E

Date: 22-Feb-1994 05:52pm EST
From: RALPH A NARDO
IS4299
Office: NEW YORK DIVISION
Phone: (718)655-6800/6824

TO: LEONARD J KENNEDY (IS2831)
CC: ARTHUR A LYNCH (IS3360)
Subject: SENTENCING GUIDELINES

AS PER YOUR REQUEST HERE IS A RECENT SENTENCING INVOLVING AN INDIVIDUAL WITH MULTIPLE FEDERAL ARRESTS FOR VOLUME ATTACKS:

CASE NOS. 212-1109005-ECMT(1)
201-1118338-ECMT(1)

LATCHMAN SINGH WAS ARRESTED IN SDNY ON 12/23/92 AND 5/11/93 AND CHARGED WITH VIOLATION OF 18 USC 1708 ON BOTH OCCASIONS. SINGH PLEAD GUILTY TO THE FIRST ARREST ON 3/22/93, IN WHICH IN EXCESS OF \$6,000 OF CREDIT CARD LOSSES WERE ATTRIBUTABLE. THE SECOND VIOLATION WAS FOR A RELAY BOX ATTACK WHICH OCCURRED ON 4/10/94 IN WHICH IN EXCESS OF \$28,000 OF TREASURY CHECKS WERE RECOVERED WHICH HAD NOT YET BEEN NEGOTIATED. THIS WAS LESS THAN THREE(3) WEEKS AFTER SINGH PLEAD GUILTY TO THE FIRST VIOLATION. AT NO TIME DID SINGH PROVIDE ANY COOPERATION TO THE GOVERNMENT. SINGH PLEAD GUILTY TO THE SECOND VIOLATION ON 10/1/93. THERE WAS STRONG EVIDENCE TO PROVE THAT SINGH WAS INVOLVED IN SEVERAL VOLUME ATTACKS IN LOWER WESTCHESTER COUNTY AND THE BRONX. HE IS SUSPECTED TO BE INVOLVED IN APPROXIMATELY 30 RELAY BOX ATTACKS.

ON 2/15/94 SINGH WAS SENTENCED IN SDNY UNDER DOCKET NOS. 93-CR-186 AND 93-CR-607 TO THE FOLLOWING:

3 MONTHS PRISON
3 MONTHS HOME DETENTION
3 YEARS SUPERVISED RELEASE

AS WE SPEAK I HAVE BEEN INFORMED THAT SINGH WAS ARRESTED ON STATE CHARGES FOR POSSESSION OF A CREDIT CARD STOLEN FROM THE MAIL ON 2/17/94. SDNY AUSA JOHN DESMARIS HAS INDICATED HE WILL ASK THE SENTENCING JUDGE FOR AN IMMEDIATE REMAND. SINGH WAS SCHEDULED TO SURRENDER 3/18/94 AND HIS OFFICE WOULD SEEK FEDERAL PROSECUTION.

MORE TO FOLLOW.....

OFFICE OF CRIMINAL

CASE BRIEF - INSPECTOR GENERAL REPORT

TYPE OF BRIEF: Preliminary
CASE NUMBER : 201-1071541-ECMT(1); 201-1072296-ECMT(1)
CITY, STATE : Seattle, WA
SUBJECT :

Arrest of gang leaders, James Michael Morelli and Steven Wayne Blair for the theft of outgoing checks from collection boxes through use of counterfeit Postal Service Arrow keys.

SUMMARY:

Beginning in early May 1991, the Seattle Division of the Postal Inspection Service began receiving complaints from customers and area banks, indicating that outgoing checks deposited in collection boxes throughout the greater Seattle area were being stolen, washed, and negotiated after entry of new payees and amounts. As of August 27, 1991, 111 washed checks had been recovered, 94 of which were successfully negotiated for losses to area banks of at least \$66,382.52. In cashing the checks the subjects utilized 29 stolen Washington State Driver's Licenses as identification.

Investigation disclosed that at least two loosely knit gangs were involved in the theft of the checks from collection boxes through use of counterfeit U.S. Postal Service Arrow keys and that often the collection boxes being attacked were located directly in front of postal stations and branches. It was determined the stolen checks were being washed in a solution of denatured alcohol and acetone which removed the ink entries on the checks and that the checks themselves were often business checks originally written in payment for utility and other bills.

Through bank surveillance photos and Inspection Service Crime Laboratory analysis of over 229 washed and other forged checks, James Michael Morelli, dob: 02-15-65, and Steven Wayne Blair, dob: 11-12-52, were identified as being responsible for at least 55 of the 94 washed checks which had been negotiated accounting for \$43,322.96 of the total losses and accounting for 10 of the 29 identifications used.

On July 16, 1991, acting on information provided by the Inspection Service and a confidential informant, Mountlake Terrace, WA Police Detectives arrested James Michael Morelli on an outstanding warrant from King County, WA, issued following his escape from the King County Court House on May 1, 1990, after he had been sentenced to 33 months imprisonment for the offense of trafficking in the first degree. In subsequent questioning, Morelli admitted to the use of a counterfeit Arrow key to gain entry to over 50 collection boxes from which he stole outgoing checks. A search of the

vehicle Morelli was driving incident to his arrest resulted in the recovery of a counterfeit Postal Arrow key and numerous washed checks in the process of drying.

On July 22, 1991, Steven Wayne Blair was arrested by Postal Inspectors on probable cause as he was released from the Renton, WA City Jail. He had been held there since July 20, 1991, following his arrest by officers of the Renton Police Department on investigation of being in possession of stolen property. A search of Blair's residence on July 20, 1991, by Renton Police, Seattle Police and Postal Inspectors resulted in the recovery of three counterfeit Arrow keys, mail stolen from three relay boxes on July 17 and 18, 1991, and numerous checks stolen from the mail which were in the process of being washed.

On July 23, 1991, Blair appeared before United States Magistrate at Seattle, WA, and was charged by complaint with one count of being in possession of a counterfeit Postal Arrow key, Title 18, USC, Section 1704, and four counts of being in possession of stolen mail, Title 18, USC, Section 1708. Blair failed to appear for a probable cause hearing scheduled for August 12, 1991, and a federal warrant has been issued for his arrest. To date, four additional individuals associated with the two gangs have been taken into state custody on unrelated charges and information and evidence relative to their involvement in this scheme is being provided to local prosecutors.

VISUAL/GRAPHIC: NONE X SENT UNDER SEPARATE COVER

Press Releases

CASE INSPECTOR : S. R. Pilkey

PHONE NO.: (206) 442-6321

DOCUMENT NAME : Case Brief-Seattle, WA

[170]

OFFICE OF CRIMINAL

CASE BRIEF - INSPECTOR GENERAL REPORT

TYPE OF BRIEF: Final
CASE NUMBER : 201-1071541-ECMT(1); 201-1072296-ECMT(1)
CITY, STATE : Seattle, WA
SUBJECT :

Sentencing of gang members.

SUMMARY:

On January 15, 1993, the last of seven defendants in the subject cases was sentenced in the King County Superior Court following a guilty plea to three counts of forgery and one count of possession of stolen property relating to the theft of checks from the U. S. Mails.

In previous actions, Steven Wayne Blair appeared in Federal District Court at Seattle, WA, on April 24, 1992, and was sentenced to eight months imprisonment to be followed by three years supervised release following his conviction on seven felony counts of possessing counterfeit Postal Service keys, stolen mail, and bail jumping. On September 17, 1991, James Michael Morellie, was sentenced to twenty-two months imprisonment in Snohomish County Superior Court after pleading guilty to three counts of forgery involving checks stolen from the mails.

The other five defendants in the subject cases were sentenced in King County Superior Court as follows:

201-1071541-ECMT(1)

Tron Joseph Luketa, fourteen months imprisonment, three years probation, on November 22, 1991.

John Kenneth Speaks, twenty-four months imprisonment, one year probation, on November 8, 1991.

Rosalie Joy Hardenbrook, three months imprisonment, one year probation, on November 7, 1991.

201-1072296-ECMT(1)

John Darrel McKenrick, fourteen months imprisonment, one year probation, on January 24, 1992.

Diane Elizabeth Foust, fourteen months imprisonment, one year probation on January 15, 1993.

The above defendants were involved in the theft of mail from the U. S.

Postal Service collection boxes. Individuals' personal checks would be "washed" and new payees and amounts entered on the checks. During the course of the investigation, 111 such washed checks were recovered, 94 of which had been successfully negotiated for losses to area banks of over \$66,382. Twenty-nine stolen Washington State driver's licenses were used to cash the checks which were often altered by overlaying the photo of the true license holder with a photograph of one of the defendants.

VISUAL/GRAPHIC: X NONE SENT UNDER SEPARATE COVER

CASE INSPECTOR : S. R. Pilkey

PHONE NO. : (206) 442-6321

DOCUMENT NAME : BRIEF/BLAIR/920814

UNITED STATES SENTENCING COMMISSION
ONE COLUMBUS CIRCLE, NE
SUITE 2-500, SOUTH LOBBY
WASHINGTON, DC 20002-8002
(202) 273-4500
FAX (202) 273-4529



February 9, 1994

K.M. Hearst
Deputy Chief Inspector
Office of Postal Inspector/Criminal Investigations
475 L'Enfant Plaza West, SW
Washington, DC 20260-2160

Dear Deputy Chief Inspector Hearst:

Enclosed please find the statistical information you requested on guideline defendants sentenced for violations of Postal statutes.

Table 1 describes the number of cases convicted between 1989 and 1993 under each of the statutes listed in your request. Note that a small number of cases was convicted under two or more of these statutes. Table 2 lists the number of cases convicted per year between 1989 and 1993. Table 3 provides the distribution of final offense levels assigned under the guidelines to the total of 3,679 cases.

Table 4 identifies the number of cases from the total of 3,679 that involved more than minimal planning (n=920), or the taking of undelivered mail (n=1,056). Table 5 presents the frequency of primary guidelines applied to the 3,679 cases, with §2B1.1 being the most frequent, followed by §2B1.2 and §2F1.1. Table 6 provides sentence information for the 3,679 cases. 2,149 defendants (or 60%) received no sentence of incarceration. For the remaining 40 percent, the mean prison term was 13.8 months, median 10 months.

Finally, Table 7 references information about cases sentenced under §§2B1.1 and 2F1.1 regardless of the statute of conviction, and provides the number and percentage of cases between 1989 and 1993 to which 2B1.1(b)(6) or 2F1.1(b)(2) was applied.

We hope you will find this information useful. If you have any questions, please feel free to call me at: (202)273-4530.

Sincerely,

A handwritten signature in dark ink, appearing to read "Susan Katzenelson".
Susan Katzenelson
Director of Policy Analysis

Enclosures

**Cases Sentenced Under the Guidelines 1989-1993 Involving One or More of the
Following Statutes of Conviction:**

TYPSTAT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	3513	95.5	3513	95.5
1702	166	4.5	3679	100.0

TYPSTAT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	3193	86.8	3193	86.8
1703	486	13.2	3679	100.0

TYPSTAT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	3629	98.6	3629	98.6
1707	50	1.4	3679	100.0

TYPSTAT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	1602	43.5	1602	43.5
1708	2077	56.5	3679	100.0

TYPSTAT	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	2700	73.4	2700	73.4
1709	979	26.6	3679	100.0

Fiscal Year Sentenced

FY	Frequency	Percent	Cumulative Frequency	Cumulative Percent
89	478	13.0	478	13.0
90	804	21.9	1282	34.8
91	736	20.0	2018	54.9
92	768	20.9	2786	75.7
93	893	24.3	3679	100.0

Table 3

Final Offense Level

FOL	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2	27	0.7	27	0.7
3	51	1.4	78	2.1
4	956	26.0	1034	28.1
5	196	5.3	1230	33.4
6	548	14.9	1778	48.3
7	237	6.4	2015	54.8
8	264	7.2	2279	61.9
9	162	4.4	2441	66.3
10	146	4.0	2587	70.3
11	93	2.5	2680	72.8
12	71	1.9	2751	74.8
13	55	1.5	2806	76.3
14	33	0.9	2839	77.2
15	17	0.5	2856	77.6
16	12	0.3	2868	78.0
17	5	0.1	2873	78.1
18	2	0.1	2875	78.1
20	2	0.1	2877	78.2
21	3	0.1	2880	78.3
22	3	0.1	2883	78.4
23	3	0.1	2886	78.4
24	1	0.0	2887	78.5
25	2	0.1	2889	78.5
28	1	0.0	2890	78.6
29	1	0.0	2891	78.6
37	1	0.0	2892	78.6
43	1	0.0	2893	78.6
Missing	786	21.4	3679	100.0

Table 4

More than Minimal Planning Applied

MINPLAN	Frequency	Percent	Cumulative Frequency	Cumulative Percent
Unknown	1132	30.8	1132	30.8
Missing	73	2.0	1205	32.8
No	1554	42.2	2759	75.0
Yes	920	25.0	3679	100.0

Undelivered Mail Taken

UNDELIVR	Frequency	Percent	Cumulative Frequency	Cumulative Percent
Unknown	1132	30.8	1132	30.8
Missing	73	2.0	1205	32.8
No	1418	38.5	2623	71.3
Yes	1056	28.7	3679	100.0

Primary Guideline Applied

GDLINEHI	Frequency	Percent	Cumulative Frequency	Cumulative Percent
2A1.1	1	0.0	1	0.0
2A2.3	1	0.0	2	0.1
2A2.4	1	0.0	3	0.1
2B1.1	2426	65.9	2429	66.0
2B1.2	573	15.6	3002	81.6
2B1.3	136	3.7	3138	85.3
2B2.2	14	0.4	3152	85.7
2B3.1	10	0.3	3162	85.9
2C1.1	5	0.1	3167	86.1
2D1.3	1	0.0	3168	86.1
2F1.1	358	9.7	3526	95.8
2G2.2	1	0.0	3527	95.9
2H3.3	53	1.4	3580	97.3
2J1.6	2	0.1	3582	97.4
2K2.1	4	0.1	3586	97.5
2K2.2	1	0.0	3587	97.5
2L1.1	1	0.0	3588	97.5
2L1.2	1	0.0	3589	97.6
2P1.1	2	0.1	3591	97.6
2S1.1	2	0.1	3593	97.7
2X1.1	2	0.1	3595	97.7
Unknown	11	0.3	3606	98.0
Missing	73	2.0	3679	100.0

Table 6

Length of Imprisonment

TOTPRISN	Frequency	Percent	Cumulative Frequency	Cumulative Percent
0	2149	59.6	2149	59.6
1	31	0.9	2180	60.4
2	56	1.6	2236	62.0
3	83	2.3	2319	64.3
4	118	3.3	2437	67.6
5	48	1.3	2485	68.9
6	226	6.3	2711	75.2
7	37	1.0	2748	76.2
8	75	2.1	2823	78.3
9	41	1.1	2864	79.4
10	69	1.9	2933	81.3
11	5	0.1	2938	81.5
12	158	4.4	3096	85.8
13	14	0.4	3110	86.2
14	30	0.8	3140	87.1
15	63	1.7	3203	88.8
16	34	0.9	3237	89.7
17	1	0.0	3238	89.8
18	91	2.5	3329	92.3
19	5	0.1	3334	92.4
20	10	0.3	3344	92.7
21	42	1.2	3386	93.9
22	3	0.1	3389	94.0
23	2	0.1	3391	94.0
24	52	1.4	3443	95.5
25	1	0.0	3444	95.5
26	1	0.0	3445	95.5
27	24	0.7	3469	96.2
28	1	0.0	3470	96.2
29	2	0.1	3472	96.3
30	28	0.8	3500	97.0
33	19	0.5	3519	97.6
34	1	0.0	3520	97.6
35	1	0.0	3521	97.6
36	14	0.4	3535	98.0
37	7	0.2	3542	98.2
38	2	0.1	3544	98.3
39	3	0.1	3547	98.3
40	4	0.1	3551	98.4
41	9	0.2	3560	98.7
42	2	0.1	3562	98.8
46	8	0.2	3570	99.0
48	3	0.1	3573	99.1
49	1	0.0	3574	99.1
51	4	0.1	3578	99.2
52	1	0.0	3579	99.2
57	2	0.1	3581	99.3
60	10	0.3	3591	99.6
64	1	0.0	3592	99.6

TOTPRISN	Frequency	Percent	Cumulative Frequency	Cumulative Percent
70	1	0.0	3593	99.6
71	1	0.0	3594	99.6
72	2	0.1	3596	99.7
84	2	0.1	3598	99.8
87	2	0.1	3600	99.8
94	1	0.0	3601	99.8
96	1	0.0	3602	99.9
120	1	0.0	3603	99.9
150	1	0.0	3604	99.9
216	1	0.0	3605	99.9
240	1	0.0	3606	100.0
Life	1	0.0	3607	100.0

Frequency Missing = 72

Of the forty percent sentenced to a term of imprisonment:

mean sentence= 13.8 months

median sentence= 10.0 months

Application of guideline 2B1.1 regardless of statute of conviction:

- 15,176 (of 162,080 cases with complete information from 1989-93)
- 5 of the 15,176 cases involved the application of adjustment 2B1.1(b)(6).

Application of guideline 2F1.1 regardless of statute of conviction:

- 21,330 (of 162,080 cases with complete information from 1989-93)
- 14,919 of the 21,330 cases involved the application of adjustment 2F1.1(b)(2).

ISDBIS--H24420.CULPRIT.ADHOC421--
 U. S. POSTAL INSPECTION SERVICE
 VOLUME MAIL THEFTS BY DIVISION
 ----- FISCAL YEAR - 1993 -----

DIVISION	221 COLLECTION BOX	222 COOP MAILING RACK	223 RELAY BOX	224 & 225 VEHICLE ATTACK	226 CARRIER CART/SATCHEL	227 NDCBU/APT ARROW LOCK	228 P.O. BOX	TOTAL
ATLANTA	1		14	19		27	2	63
BOSTON	5		30	17		3	1	56
BUFFALO	2			1	2		1	6
CHARLOTTE	1			4				5
CHICAGO	15	3	6	73	87	61		245
CINCINNATI	16			4				20
CLEVELAND	2			28				30
DENVER	3			1		1	1	6
DETROIT	3			12	1			16
FT. WORTH	77			4		140	3	224
HOUSTON	1			14		40	10	65
KANSAS CITY	10			8				18
LOS ANGELES	42			544	17	324	11	938
MEMPHIS	2			8		3		13
MIAMI	3			59	2	1	1	66
NEW ORLEANS	3			16	1		1	21
NEW YORK	9	2	520	216	387	1		1,135
NEWARK	10		6	14	21	1		52
PHILADELPHIA	4		1	41	5			51
PHOENIX	37			28		191		256
PITTSBURGH				1			2	3
SAN DIEGO	60			16		425		501
SAN FRANCISCO	24	1	32	84	5	8		154
SAN JUAN	1			2				3

REPORT NO. 01

ISDBIS--H24420.CULPRIT.ADHOC421--
U. S. POSTAL INSPECTION SERVICE
VOLUME MAIL THEFTS BY DIVISION
----- FISCAL YEAR - 1993 -----

11/15/93 PAGE 2

DIVISION	221 COLLECTION BOX	222 COOP MAILING RACK	223 RELAY BOX	224 & 225 VEHICLE ATTACK	226 CARRIER CART/SATCHEL	227 NDCBU/APT ARROW LOCK	228 P.O. BOX	TOTAL
SEATTLE	136		21	4		8		169
ST. LOUIS	6			4		1	4	15
ST. PAUL	2			1				3
TAMPA	1						2	3
WASHINGTON			4	49	2			55
TOTAL:	476	6	634	1,272	530	1,235	39	4,192

MEMORANDUM OF INTERVIEW

Person Interviewed: Catalina Tejada
3281 Winter St.
Los Angeles, CA

Date of Interview: January 21, 1994

Place of Interview: Pasadena, CA

Subject: Theft of mail

Interviewed By: R. E. Vincent
Postal Inspector

Catalina Tejada is a postal customer who had mail stolen in December, 1993.

On December 15, 1993, the postal vehicle that was carrying the mail to the addressees on the 3200 block of Winter Street was broken into. The vehicle was forcibly entered by thieves and the mail addressed to Ms. Tejada's block was stolen. Included in her loss was her biweekly welfare check and some other miscellaneous correspondence.

Ms. Tejada and her two small children live her mother and father. Her welfare check is her only means of support for her and her children.

She was advised by the Postal Service her mail was stolen on the 15th. After hearing this, her main concern was replacing the welfare check. She made an appointment to see her welfare worker so as to replace her check. The earliest appointment she could get was seven days later.

After visiting her welfare worker around December 22, 1993, she stated she had to wait two more weeks to receive, via the mail, her "pink slip" which would allow her to get a replacement welfare check. The day she received the pink slip she went to the welfare agency. She arrived around 1:00pm, only to find out the agency closes at 12:00pm. The next day she arrived at 11:45am. However, she was told the workers at the agency would not see anyone who arrived after 11:00am. She went to the agency a third time the next day. This time she arrived at 8:00am. To arrive this early required her to not take her children to school. They missed the entire day of school, as she had no other means to get them there.

While at the welfare agency she had to fill out affidavits of forgery, as well as complete handwriting exemplars and be interviewed by social workers. After being at the agency for six hours she received her \$304.00 welfare check.

Ms. Tejada stated because her check had been stolen from the mail and she was unable to get a replacement until the middle of January, 1994, she was unable to pay all of her December rent in a timely manner; she had to buy groceries on credit; the store where she bought her children's clothes canceled her account since she could not pay her bill on time; she had to borrow money from her neighbors until her next check came (two weeks later); she could not even buy a small Christmas present for her children.

She advised her children suffered the most from the mail theft. This was due to the drastic change in their lifestyle that occurred over the ensuing weeks.

At the conclusion of the interview Ms. Tejada provided a sworn, handwritten affidavit.


R. E. Vincent
Postal Inspector

MEMORANDUM OF INTERVIEW

Person Interviewed: Diann Butterworth
Investigator
Corporate Security
Sanwa Bank
1977 Saturn Street
Monterey Park, CA 91754
(213)727-3889

Date of Interview: January 21, 1994

Place of Interview: Pasadena, CA

Subject: Theft of mail

Interviewed By: R. E. Vincent
Postal Inspector

Diann Butterworth is an investigator for Sanwa Bank in Los Angeles, CA. She was interviewed regarding her dealings with the investigation of negotiable instruments which are stolen from the U. S. Mails.

Diann stated one investigation she is currently working on with Postal Inspector Sam Gonzalez involves a \$1.3 million loss to Sanwa Bank. Sanwa Bank's normal yearly loss due to bad checks is \$3 million.

During the past year HR Check Cashing in Los Angeles, who banks with Sanwa Bank, took in approximately 1000 checks which were stolen from the mail. HR Check Cashing has gone bankrupt because of the huge dollar loss associated with these checks. This is why Sanwa Bank will suffer the \$1.3 million loss this year. 730 of these stolen checks have cleared the system. The checks were primarily Treasury checks (Federal Income Tax returns), with some state tax refunds, social security and railroad annuity checks.

All of the stolen checks came from postal vehicle break-ins. The break-ins encompassed the entire Los Angeles basin, with a few in Orange County.

35 suspects have been identified in passing the stolen checks. Sanwa Bank would like to see recovery of their loss in this case, but realizes that will probably not happen. They would also like to see the suspects off the streets so they cannot perpetrate the same crime again. Ms. Butterworth stated it is her experience it is this type of loose gang that causes the greatest harm to the banks.


R. E. Vincent
Postal Inspector

MEMORANDUM OF INTERVIEW

Person Interviewed: Julie Davis
5930 Arapahoe Road, Apt. 2085
Dallas, TX 75247
(214)363-8744 (wk) - SCA Promotions

Date of Interview: January 27, 1994

Place of Interview: Dallas, TX

Subject: Theft of personal mail from apartment house letter box

Interviewed By: R. E. Vincent
Postal Inspector

Julie Davis was interviewed regarding the theft of her and her husbands mail from the letter box located at the apartment complex where they live.

Ms. Davis stated on or about November 8 or 9, 1993 the letter box at her apartment complex was pried open and a box of 150 blank checks was taken, along with a rent check she was due from Colorado. She knew at that time her rent check was taken, but was unaware the blank checks were missing.

Within a day or so of the break-in she contacted her realtor in Colorado to have the rent check replaced. Then, on November 18 she and her husband went on vacation to Jamaica. When they returned, Thanksgiving day, she had numerous non-sufficient funds (NSF) notices in her mail from her bank. This was the first time she realized her blank checks had been stolen. Six of the stolen checks had actually been paid by her bank.

The Friday after Thanksgiving she notified her bank of the theft. She also tried to notify the local police department, but they would not take a report. They claimed she was not a victim, but rather the bank was.

After some time, she was able to convince she was a victim; she had \$17.00 worth of blank checks stolen. This was the amount she paid the bank to have the checks printed. The police report number is "Theft/975755-B".

It was not long after this she began to receive notices from merchants that they had accepted a one of her checks which was returned from the bank as NSF. For each notification she requested a copy of the check from the respective merchant. For those merchants who did not send the copy of the check, she would notify them via certified mail of the circumstances relating to the theft of her checks.

Once a week Julie would go to her bank and complete affidavits of forgery. She then would send the original of each affidavit to the merchant via certified mail. This process took about two hours each Friday and Saturday. To date, 29 of her checks have been cashed.

Her loss amounts to \$60.00 or so. This is comprised of the original cost for the checks, the cost for replacement checks (new account number), certified mail charges and photocopy charges. Her bank only suffered \$100.00 in loss, as she did not have much money in her account when the checks came through. Most of the checks were returned to the merchants as NSF.

Because of the NSF checks, one merchant filed a complaint with the local Justice of the Peace. A misdemeanor arrest warrant was then issued for her husband. Her husband had to take time off of work to appear before the Justice to explain the circumstances of the NSF check. She advised this case is still pending. Ms. Davis stated her frustration in that when her husband is exonerated, the District Attorney has advised her he will still show a record for a misdemeanor arrest. This will occur even if the charges are dropped.

Ms. Davis advised the money loss is not an issue to her. The crime of theft of mail is very annoying, as she has spent countless hours trying to clear up her back records.

At the conclusion of the interview Ms. Davis provided a sworn, handwritten affidavit detailing the above circumstances.


R. E. Vincent
Postal Inspector

STATE OF CALIFORNIA)
COUNTY Los Angeles)SS

I, CATALINA TETELA, first being duly sworn, depose and make the following statement:

In DECEMBER 15 1993 my County
check was stolen from the mail
vehicle. I was affected in so many
ways. I had to call my social worker,
go in prison sign an affidavit, wait
a week to receive a pink form, went
3 times to down town L.A. to pick
up my check. On the third times I
waited six hours before I received
my check. My children's clothing
store closed my credit, I almost
got evicted my home, I my
children got no Christmas gift
because of the theft of my
check.

C.T.

I have read this statement and it is true.

1st Catalina Tetela 1/21/94 1:20 P.M.
Signed Date Time

Subscribed and sworn to before me, a Postal Inspector, on the 21st day
of January 1991^{4th}, at Rosadena, CA.

1st [Signature]
Witness/Postal Inspector

1st [Signature]
Postal Inspector

STATE OF CALIFORNIA)
)SS
COUNTY Los Angeles)

I, Catalina Tejada, first being duly sworn, depose and make the following statement:

In December 15, 1993 my county check was stolen from the mail vehicle. I was affect in so many ways. I had to call my social worker go in person sign an affidavit with a week to receive a pink form. Went 3 times to down town L.A. to pick up my check. On the third times I waited six hours before I received my check. My children's clothing store closed my credit. I almost got evicted my my home & my children got no Christmas gift because of the theft of my check.

I have read this statement and it is true.

<u>/s/ Catalina Tejada</u>	<u>1/21/94</u>	<u>1:20 P.M.</u>
Signed	Date	Time

Subscribed and sworn to before me, a Postal Inspector, on the 21st day of January 1994, at Pasadena, CA.

<u>/s/ S. Gonzalez</u>	<u>/s/ R. E. Vincent</u>
Witness/Postal Inspector	Postal Inspector

STATE OF TEXAS

COUNTY OF Dallas

SS

I, Julie D. Davis, make this voluntary statement to
Robert Vincent who has identified himself as a
 Postal Inspector.

On November 7 or 9 of 1993 someone broke into our
 locked mail box and stole a box of checks. For
 the next seven days the person wrote 29
 forged checks on our account. We didn't discover
 the problem until we got home from vacation
 to find a stack of returned check notices.
 Calling the police and DA's office did
 nothing... they refused to take a statement
 because we hadn't been harmed. After
 closing the account and opening a new
 one, my husband and I have spent
 the last ^{2 months} dealing ^{with} with check collection
 companies, the bank, the Dallas County Sherry
 office and the postal inspector. Besides the
 monetary loss and expense of each forged
 check, my husband and I have spent over
 100 hours trying to rectify all the problem
 it's caused. The most infuriating thing of it
 all is

STATE OF TEXAS

COUNTY OF _____

SS

I, _____, make this voluntary statement to
_____ who has identified himself as a
Postal Inspector.

Page 2 of 2

*all is the Class C Misdemeanor now on
my husbands record because one of the
checks was turned over to the police.
In all of this, the only person to help
us try to catch the person ~~has~~ has been
David McDermott at the Postal Inspector's
office. The only reason we're even close
to catching him is because David has
pursued the case and put me in touch
with another victim.*

Julia Davis Davis

Sworn to and Subscribed to me this 27th day of January, 1924
at Dallas, TX.

R. E. Lines
Postal Inspector

STATE of TEXAS)
)SS
COUNTY of Dallas)

I, Julie D. Davis, make this voluntary statement to
Robert Vincent who has identified himself as a Postal
Inspector.

On November 8 or 9 of 1993 someone broke into our locked mail box and stole a box of checks. For the next seven days the person wrote 29 forged checks on our account. We didn't discover the problem until we got home from vacation to find a stack of returned check notices. Calling the police and DA's office did nothing ... they refused to take a statement because we hadn't been harmed. After closing the account and opening a new one, my husband and I have spent the last 2 months dealing with check collection companies, the bank, the Dallas County Sheriff's office and the postal inspector. Besides the monetary loss and expense of each forged check, my husband and I have spend over 100 hours trying to rectify all the problem it's caused. The most infuriating thing of all is the Class C Misdemeanor now on my husbands record because one of the checks was turned over to the police. In all of this, the only person to help us try to catch the person has been David McDermot at the Postal Inspector's office. The only reason we're even close to catching him is because David has pursued the case and put me in touch with another victim.

Julie Davus Davis

Sworn to and subscribed to me this 27th day of January,
1994 at Dallas, TX.

R. E. Vincent
Postal Inspector



U.S. Department of Justice

United States Attorney
Northern District of Texas, Dallas Division

1100 Commerce Street, Third Floor
Dallas, Texas 75242-1699

214-767-0951
Fax 214 767-8764

February 2, 1994

Mike Hearst
Deputy Chief Inspector
United States Postal Inspection Service
Office of Criminal Investigations
475 L'Enfant Plaza West, SW, Room 3335
Washington, DC 20260-2160

Dear Mr. Hearst,

I am writing to endorse proposed amendments 34(A) and 35 of the United States Sentencing Guidelines. As I understand it, the United States Postal Service has submitted these proposed amendments regarding guidelines calculations for postal offenses. Proposed amendment 34(A) calls for an increase in the offense level based on the number of victims involved. Proposed amendment 35 calls for an increase in the base level if the offense involved an organized scheme to deliver mail. Both amendments are appropriate and should be adopted.

I have prosecuted numerous postal cases in the three years I have been assigned to this office. The impact on the victims in these cases is significant and long lasting. The guidelines simply do not adequately address this impact as they are currently configured. The theft of personal mail involves the violation of a victim's most private matters. It violates the public's trust in the postal system. As is frequently the case, postal violations may include the theft of credit cards or personal monetary instruments. These thefts can cause irreparable damage to credit records and financial status. These harms are simply not adequately addressed in the currently guideline scheme.

I urge you to pursue these amendments with the sentencing commission. I believe that they represent a fair and just approach to the sentencing of postal offenders.

Yours truly,

PAUL E. COGGINS
United States Attorney

Michael R. Snipes

Michael R. Snipes
Assistant United States Attorney

PUGET SOUND NEWSWATCH

U.S. District Court, Seattle

In custody: Four Seattle-area residents allegedly responsible for the theft of hundreds of checks out of mailboxes were facing federal criminal charges.

Tuesday's arrest of John Heckendorn, 24, of Issaquah was the latest in a series of arrests stemming from a yearlong investigation by the U.S. Postal Inspection Service.

Three others also have been charged: Cynthia Minnick, 40, of Auburn; Hugh McDonald, 48, of Seattle; and Nina Jordan, 41, of Renton. The four face charges of possession of stolen mail and bank fraud.

Postal inspectors say the four took letters from mail collection boxes in the Seattle area and from rural mailboxes from Olympia to Stanwood, chemically removed the handwriting from checks and made them payable to others.

— Jolayne Houtz

SEATTLE DIVISION

DATE: 2-24-94

PUBLICATION: Seattle Times

CITY & ST: Seattle, WA

CASE INSPECTOR: STAN PILKEY

LOCAL

Algona ■ Auburn ■ Black Diamond ■ Covington ■ Enumclaw ■ Fairwood ■ Kent ■ Maple Valley ■ Newport Hills ■ Pacific ■ Renton ■ Tukwila

Four stole thousands in checks from mail boxes

By IRENE SVETE
Valley Daily News

Federal authorities claim four South King County residents are responsible for the theft of hundreds of checks from rural mailboxes up and down the Interstate 5 corridor.

John D. Heckendorn, 23, of Issaquah was arrested Tuesday by U.S. Marshals and postal inspectors, said James Bordenet of the U.S. Postal Inspection Service.

The arrest came less than a week after a federal grand jury indicted Cynthia Minnick, 40, and Hugh S. McDonald, 48, of Auburn on charges of bank fraud and possession of stolen mail.

In a third case, the grand jury indicted Nina K. Jordan, 41, of Renton on the same charges. Bordenet, a postal inspector, said it appears only Minnick and McDonald were working together.

Although most of the mail was stolen from blue mail collection boxes in Seattle and rural

boxes, several apartment boxes also were struck, Bordenet said.

"Basically, they went where the mail was," he said.

The case followed an 11-month investigation into losses that amounted to hundreds of thousands of dollars but probably less than \$500,000, Bordenet said.

Heckendorn was arrested without incident at the Bridge Motel in Seattle. Over 100 checks, believed stolen from Seattle collection boxes, were recovered, he said.

A U.S. District Court magistrate Tuesday ordered Heckendorn held without bail.

According to federal court papers, the checks were chemically "washed" to remove all handwriting, then made payable to various individuals from whom identification had been either stolen or faked.

Authorities claim the suspects then used the

identification to cash the altered checks at banks in Seattle and Tacoma.

If convicted of possession of stolen mail, the four face up to five years in prison and a fine of \$250,000. A bank fraud conviction carries a sentence of up to 30 years in prison.

Gerald A. Miera, inspector in charge, said the postal inspection service is working with the Seattle post office to modify collection boxes so they are less vulnerable.

Postal authorities advise residents not to put their outgoing letters in rural mailboxes.

"I wouldn't say this 10 years ago, but that's just the way it is," Bordenet said. "That red flag for the carrier is a red flag for the thief."

Postal inspectors also caution residents to note the pick-up times posted on the collection boxes and not make deposits after the last collection. They also suggest using the mail slots in the post office lobby, if that service is available.

SEATTLE DIVISION

DATE: 2-24-94

PUBLICATION: Valley News

CITY & ST: Kent WA
CASE INSPECTOR: Stan Pilkey
Linda Russo

Key suspect in mail-theft, bank-fraud ring held

BY MARY F. POLS

Seattle Times staff reporter

A man described as a major player in a series of mail thefts and bank frauds in Seattle was arrested yesterday and brought before a federal magistrate.

John Heckendorn, 24, of Seattle was one of several people taken into custody yesterday. He appeared in federal court to hear a complaint of bank fraud and possession of stolen mail filed against him.

Postal Inspector Jim Bordenet said the U.S. attorney's office would

ask for Heckendorn to be held without bail at a hearing scheduled today. "We believe he poses a flight risk and is a threat to the community," said Bordenet.

Heckendorn was suspected in several cases in which checks were chemically "washed" and altered to be made out to one of five aliases he allegedly had used.

He was believed to be part of a loosely affiliated ring of mail thieves who operated mostly in the Capitol Hill area, beginning in 1992. In the scheme, mail was taken from public

collection boxes and the large olive-brown boxes where postal employees put mail for delivery.

Counterfeit keys gave the group access to the postal boxes. In some cases, the thieves entered apartment buildings to clean out mailboxes inside.

Credit cards, boxes of blank checks and signed checks in outgoing mail were their primary targets.

More than a dozen arrests were made last year in the fraud scheme. Among those arrested was a woman who had lived with Heckendorn.

Postal inspectors went to her after Seattle Telco Federal Credit Union employees identified Heckendorn from photographs as the man who had tried to cash a forged check there last April.

She told inspectors Heckendorn had been her partner in the scheme. Heckendorn allegedly used two local men's names as aliases after obtaining their driver's licenses, lost or stolen last year.

The two stolen checks listed in the complaint against Heckendorn

had been mailed from post-office boxes at the Magnolia and West Seattle stations.

But Bordenet characterized the crimes as reaching "all over metropolitan Seattle."

He said the post office is taking further precautions to make collection boxes harder to break into. Extra padlocks were put on boxes in North Seattle and on Capitol Hill.

Anyone convicted of stealing or possessing stolen mail faces up to five years in prison and a \$250,000 fine for each count.

SEATTLE DIVISION

DATE: 2-23-94

PUBLICATION: Times

CITY & ST: Seattle, WA

CASE INSPECTOR: Stan P. L. Key

Linda Russo

Local/Region

Seattle man faces federal charges in stolen-check case

By Mike Merritt
P-I Reporter

A 24-year-old Seattle resident was charged yesterday with bank fraud and mail theft after an 11-month investigation by postal inspectors of stolen checks.

John D. Heckendorn was charged in a federal complaint with altering checks he allegedly had stolen from U.S. mail collection boxes. Heckendorn chemically "washed" the checks, then wrote in new amounts and made the checks payable to one of his numerous aliases, the complaint said.

Court records said Heckendorn stole more than \$250, but that amount "is just the tip of the iceberg," said Jim Bordenet, a postal inspector. Other people believed involved in the scheme were arrested yesterday, but Bordenet could provide no further details.

Heckendorn is in custody, and he will appear today before a U.S. magistrate for a detention hearing. Heckendorn was convicted of burglary in 1991 and forgery in 1993, according to King County Superior Court records.

In an affidavit, Postal Inspector Stanley Pilkey said that on Feb. 4, 1993, Heckendorn cashed a \$250 check he had stolen from a mailbox at the West Seattle post office and "washed," using a stolen driver's license for identification.

On April 5, 1993, Heckendorn tried to cash a \$600 check at a Seattle credit union, again using a stolen driver's license. Tellers were suspicious, however, and they refused to cash the check, the affidavit said.

Three days later, Heckendorn tried to cash a "washed" check at a Seattle savings-and-loan branch, according to the affidavit. He was later arrested by Seattle police and convicted of forgery.

According to Pilkey's affidavit, a former girlfriend confirmed the scheme in a statement to authorities. She identified one check she had falsified and made payable to one of Heckendorn's aliases.

An examination of Heckendorn's handwriting confirmed that he had altered at least one of the stolen checks.

SEATTLE DIVISION

DATE: 2-23-94

PUBLICATION: Post-Intelligencer

CITY & ST: Seattle, WA

CASE INSPECTOR: Stan Pilkey



NEWS RELEASE

OFFICE OF THE INSPECTOR IN CHARGE
UNITED STATES POSTAL INSPECTION SERVICE
P.O. Box 400
SEATTLE, WA 98111-4000
206/442-6300

FOR IMMEDIATE RELEASE
SEA NO. 94-06
DATE: FEBRUARY 23, 1994

FOR FURTHER INFORMATION CALL:

JAMES D. BORDENET
POSTAL INSPECTOR
TELEPHONE: (206) 442-6134

CHECK WASHERS ARRESTED

So your creditors didn't believe you when you told them the check was in the mail? Well, they probably should have, according to Postal Inspector in Charge Gerald A. Miera. Today, the Postal Inspection Service, Seattle Division, announced the results of a year-long series of investigations which resulted in arrests of four persons in connection with the theft of hundreds of check letters from the mail. According to court documents, most of the stolen mail was taken from U. S. Postal Service blue collection boxes throughout the Greater Seattle area and from rural mailboxes all the way from Olympia to Stanwood, WA.

In the first case, U. S. Marshals arrested CYNTHIA K. MINNICK, born December 26, 1953 of Auburn, Washington, and HUGH S. MCDONALD, born September 25, 1945, of Seattle, on February 8, 1994 at Auburn. Their arrests were based on a criminal complaint filed on December 29, 1993 in Federal District Court at Seattle charging them with possession of stolen mail.

In a separate case, U. S. Marshals arrested NINA K. JORDAN, born June 16, 1952, of Renton, Washington, on February 15, 1994. This arrest was based on a January 21, 1994 criminal complaint charging her with possession of stolen mail and bank fraud.

The most recent arrest was made by Postal Inspectors and U. S. Marshals on February 22, 1994. They arrested JOHN D. HECKENDORN, born January 18, 1970, of Issaquah, Washington, at the Bridge Hotel in Seattle. Heckendorn's arrest was based on the filing of a January 21, 1994 criminal complaint charging him with possession of stolen mail and bank fraud. Heckendorn appeared in Federal Court on the afternoon of February 22. During this initial appearance, information was provided that incident to his arrest, over 100 check letters believed stolen from Seattle area collection boxes were recovered.

According to the criminal complaints filed against these defendants, letters containing checks were stolen from either Postal Service collection boxes or rural mailboxes. The checks were chemically "washed" to remove all handwriting. They were then made payable to various individuals from

whom the defendants had either stolen or obtained identification documents, such as drivers' licenses. The documents were altered to display photographs of the defendants, who then used them in cashing or attempting to cash these altered checks at Seattle and Tacoma area banks.

The collection boxes referred to in the criminal complaints are the blue street boxes utilized by the public to place letters which will be picked up by the U. S. Postal Service for processing and delivery. Other check letters were allegedly stolen from individual rural mailboxes. Inspector in Charge Miera stated that the Postal Inspection Service is working with the Seattle Post Office to modify collection boxes so they are less vulnerable to criminal attack. Miera cautioned that customers should also note the last scheduled pick-up time which is posted on all collection boxes; that it is a good practice not to deposit mail after the last pick-up for that day.

Inspector in Charge Miera also cautioned the public not to place their outgoing letters in rural mailboxes. "Unfortunately, the red flag customers raise to alert our employees that outgoing mail is in the box is also a red flag for the thief. A prudent crime prevention practice is to deposit those letters inside a post office or mail them from your work place."

Inspector in Charge Miera noted that key information which assisted Postal Inspectors in these cases came from concerned citizens who observed, and reported, suspicious activity around collection boxes. "We appreciate the public's help in identifying postal thieves. We are offering a reward of up to \$10,000 for information which leads to the arrest and conviction of anyone stealing mail," Inspector in Charge Miera said. Persons can contact the Seattle Postal Inspectors' Office at 442-6300. All information will be kept in confidence.

Following the earlier arrests, on February 16, 1994, a Federal Grand Jury at Seattle returned Indictments against MINNICK, McDONALD, and JORDAN. These indictments charge them with one count each of bank fraud and possession of stolen mail, and are related to the violations detailed in earlier criminal complaints. MINNICK, McDONALD, and JOHN HECKENDORN remain in Federal custody. On February 17, JORDAN was released to home detention with electronic monitoring.

The penalty upon conviction for possession of stolen mail is up to five years and/or a \$250,000 fine. The penalty upon conviction for bank fraud is up to \$1 million and/or thirty years imprisonment. The charges contained in the indictments and criminal complaints in these cases are accusations and the defendants are presumed innocent until proven guilty by a jury at trial.



C O M M U N I T Y N E W S

Feb./March 1994

A Community Council Publication

Vol. 8 No. 2

Post office mailboxes raided by thieves looking for cash

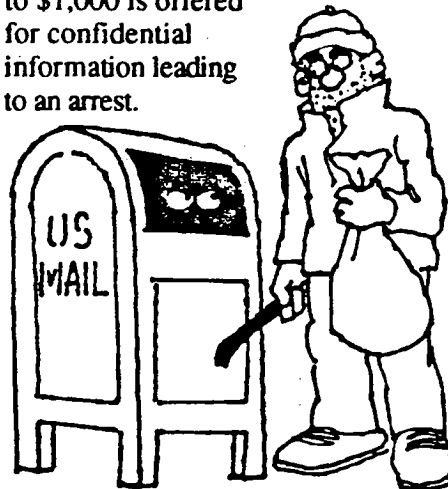
Postal inspectors are investigating thefts from the mail collection boxes outside the Wedgwood post office. The thefts apparently started in mid-January and occurred between 5 p.m. Saturday and 6 a.m. Monday. Suspects have been identified and arrests are expected soon.

Postal Inspector Jim Bordenet said he believes the thefts are "drug-driven" and the thieves are looking for cash, credit cards or checks that can be washed, rewritten and cashed. The thieves apparently used a counterfeit key to open the collection boxes.

Reports also have been received concerning mail stolen from home mailboxes in the Wedgwood area. Bordenet said most mail theft is from home mailboxes and it has increased significantly since 1987.

To guard against future thefts, the post office plans to provide an indoor mail slot that is available at all times. Drop your mail in the indoor slot or mail it from your business. Never leave mail at your home mailbox for your carrier to pick up, and don't leave incoming mail sitting in your mailbox.

Please report any suspicious activity around any mailboxes by calling 911 and the postal inspectors at 442-6300. A reward of up to \$1,000 is offered for confidential information leading to an arrest.



SEATTLE DIVISION

DATE: 2-20-94

PUBLICATION: Wedgwood News

CITY & ST: Seattle, WA

CASE INSPECTOR: Stan Pilkey
Linda Russo

Thieves picking up mail at Tacoma boxes

No arrests yet, but several warrants issued

By Paul Chavez

The News Tribune

Grandkids say they never got that \$10 you sent them for Christmas?

Maybe they didn't.

Thieves believed armed with counterfeit keys have made their own rounds, stealing mail dropped in some Tacoma collection boxes, U.S. postal officials said this week.

A collection box in front of the Proctor Station, 3801 N. 27th St., was emptied Dec. 26, and a mailbox at North 30th and Stevens streets was hit Dec. 30.

"We've gotten reports of thefts from several parts of Tacoma," said Jim Bordenet, a U.S. postal inspector in Seattle. "Mostly in the North End and east of Interstate 5."

Postal inspectors investigating the Tacoma thefts have issued warrants for several suspects, Bordenet said. No arrests, however, have been made yet, he said.

"It appears the thefts are tied to a loose-knit association," he said. "People coming and going."

Investigators said they don't know how much mail the ring has stolen. It's hard to

keep track, officials said, since the thefts aren't reported for a while. People don't learn their mail has been stolen until well after the fact, investigators said.

Lisa Starkey, who lives in Tacoma's North End, said she dropped four bill payments into the collection box at the Proctor Station on Dec. 26.

"About two weeks ago, I got a late notice for my City Light bill," said Starkey, 31.

Shortly after the utility notice, Starkey said, her credit card company sent her a late notice.

"I called the post office and said, 'Hey, is there something going on I should know about?'"

The Proctor station manager told her about the stolen mail.

"I was just livid," Starkey said. "I always drop my mail in those kinds of boxes. I just walked out of there shaking."

The thefts meant Starkey had to negotiate late fees, cancel payment on her checks and change her unlisted telephone number.

"It's just a big hassle," she said. "I'm a private person and now somebody knows everything about me. You'd think the post office would be a safe place to drop your mail."

Think again, postal officials said. "You've got today's environment," Bordenet said.

denet said. "Nothing's sacrosanct. We've got to alert people. This is reality."

Bordenet said people should mail from either work or at a post office.

"Go in and put it in the chute in areas that have experienced problems with collection boxes," Bordenet said.

And if you do use a collection box, check the pick-up schedule printed on the box.

"I wouldn't use a box where it wouldn't be picked up for a while," Bordenet said. "Mail only within a short time frame of the next scheduled pick-up."

For its part, the Postal Service plans to

Please see Mail, B3

add second locks to some Tacoma boxes, Bordenet said. The locks, which require a different type of key, have been added to some Seattle boxes.

Investigators suspect counterfeit keys that can open mailboxes have been used in the thefts.

"We've had problems in the past with counterfeit keys," Bordenet said. "It's not that easy to get them, but it's not that difficult."

A Federal Way man who forged checks he stole from mailboxes was sentenced in 1992 to 20 months in prison. His girlfriend, who participated in the Puget Sound-area scam, was sentenced to eight months.

The couple took checks taken from the large blue and green street-side boxes and altered them with a chemical wash. They then tried to cash the checks using false identifications.

That sounds similar to what happened recently to Kirby Vlasak of Tacoma.

Vlasak said her husband dropped mail at 6:40 a.m. at the collection box at North 30th and Stevens streets on Dec. 30.

"A little after 4 o'clock on the same day, my bank called and said they had a suspicious check," Vlasak said. "The amount and pay to person had been changed."

Bankers told Vlasak the check had been through a chemical wash. A person's name had replaced the telephone company, and \$79.72 had been changed to \$300.

The episode shattered Vlasak's trust in the collection box.

"That's where we've been taking it as long as we've had the house, and we've been there 10 years," Vlasak said. "I bring it down to work, and I hand it to the mailman. Now I know who's got it."

Mail

Continued from B1

SEATTLE DIVISION

DATE: 1-22-94

PUBLICATION: News Tribune

CITY & ST: Tacoma

CASE INSPECTOR: Bysault/

Pikey

Don't leave W48 your mail in the mailbox

Whether postal inspector, detective, bank official or victim, the advice for Lakewood is pretty simple.

Don't use your rural-type mail box.

"That red flag is a red flag for the thief," said postal inspector Jim Bordenet.

For incoming mail, Bordenet suggested that people have a trusted neighbor pick up the mail. For outgoing, he suggests people drop their mail off at the post office, rent a post office box or get several neighbors together to purchase a locked neighborhood collection box.

"We're going to get a Post Office box," said recent mail theft victim Carrie Lindsay.

And if you do notice suspicious activity, try to get a physical description and license plate and report the incident to local police and the postal inspector's office.

The nearest postal inspectors office can be reached by calling (206) 442-6300. The Postal Inspection Service has an ongoing reward program, with rewards payable for up to \$1,000 for information leading to arrest and conviction of anyone stealing mail.

To report check forgeries with the Pierce County Sheriff's office, call 591-7530.

SEATTLE DIVISION

DATE: 11-5-93

PUBLICATION: Valley News

CITY & ST: Tacoma, WA

CASE INSPECTOR: Stan Pilkey

Thieves steal mail, forge checks

W48
By Daven Rosener
Editor

That little flag on your mailbox is not helping your mail man.

It's alerting mail thieves of ready-to-steal mail — mail that often includes personal checks.

Ask Lakewood resident Carrie Lindsay.

A ready-for-the-mail stack of bills was recently stolen. The thief altered her checks, making them payable to someone else and payable for a new, higher amount of money.

"I did all my bills — had them all stacked up and put them in my mailbox," she said. Everything was fine until her bank called three days later telling her one of her checks had been altered.

One check, written for \$5.61, had been altered to \$150, payable to someone she didn't know.

Lindsay was a victim of a relatively new form of fraud where forgers chemically wash the ink off checks, writing in new "payee" names and new amounts.

So far, Lindsay and at least 25 other Lakewood residents have had checks stolen and chemically washed this year.

"It's when they see the red flag on the mail box that they spring into action," said Pierce County Sheriff Detective Rob Floberg. He suspects there are four rings of check washers operating in Pierce and neighboring counties.

"Some of the erasures have been done so well, even if it is a forgery, you look at it real close and can't even see the old ink," Floberg said.

Typically, check washers keep the new amount to under \$400. "They try to keep it under a greedy amount because it at-

tracts attention," he said.

Roughly 90 percent of the payee names are stolen IDs. The other 10 percent "are either so dumb they use their own name, or they want drugs so bad they don't care if they get caught for the forgery," Floberg said. Floberg, along with bank loss investigators, U.S. Postal inspectors, and even the FBI are after check washers.

"They love mortgage checks, because they know they're fairly good sized," said a Seafirst loss investigator.

And often times, victims don't know about the theft of checks from their mailboxes until much later. Victims realize something is wrong when they find out the bill they mailed is overdue, or when their checks start bouncing.

Who pays the price for check washing crimes?

Whoever cashes it. That means the banks. But more often, it means the retail merchant, said Jason Moulton, FBI white collar crime supervisor for the

state of Washington.

According to Moulton, roughly \$14 million was lost in bank fraud of one form or another in 1992.

Beyond not using the mailbox in front of your home for outgoing bills and mail, bank loss investigators suggest that people keep up with balancing their

checkbooks against their statements.

And once you find out your personal check has been altered, "you need to get down to the bank and close the account," said recent victim Carrie Lindsay.

From what she has learned, her stolen checks somehow

mixed with checks stolen from individuals in Spanaway and South Tacoma.

And one of Lindsay's for missing checks is still missing.

"It turns your life upside down," she said, after closing her checking account, opening new one and replacing all of her bank cards.

SEATTLE DIVISION

DATE: 11-4-93

PUBLICATION: Lakewood Journal

CITY & ST: Tacoma, WA

CASE INSPECTOR: Stan Pilkey

Mail theft on the rise in ^{W-48} South King County

Mail theft is on the rise again in our area. Residents should be on alert, as checks are being removed from mailboxes, washed, and re-written for hundreds of dollars more than the original amount, and are being cashed. Most victims don't realize it has happened to them until it's too late ... their checking accounts are over drawn.

Most mail thefts occur on isolated roads. Many suspects know the scheduled time of the carriers and watch for them.

Here is some advice on how people can safeguard their own mail:

- Form a neighborhood watch to protect the mail.

- Remove mail as soon as it is delivered.

- If planning to be out of town, have a neighbor pick up the mail, or it can be held at a local post office for up to 30 days.

Outgoing mail should be put

in the mailbox just before the carrier is scheduled to arrive. It should never sit in the box overnight. The raised red flag carries a double meaning to vandals.

The best and safest place for outgoing mail is a letter slot in the lobby of a post office. Second to that is a collection box.

It is a federal offense to tamper with the U.S. mail. However, it is best not to confront the suspect(s) yourself. Obtain a description of the vehicle and the suspect(s) if possible and the license number of the vehicle. Then call the postal inspector's office at 442-6300. This is a 24-hour number.

SEATTLE DIVISION

DATE: 9-10-93

PUBLICATION: Voice of the Valley

CITY & ST: Federal Way, WA

CASE INSPECTOR: Dave Breault

Check washers hitting postal drop boxes

W-48
NORMANDY PARK—Police are warning citizens to be careful with their mail.

At least three times in the past month, thieves have stolen letters from blue collection boxes and cashed checks swiped from envelopes.

Two of the thefts occurred at the mailbox next to Warren's Drugs, 19919 First Ave. S. The other was at a mailbox next to Manhattan Pharmacy, 17833 First Ave. S.

The culprits apparently have a key, because neither box was forced open or damaged.

Their modus operandi is to wash out the "payable to" and "amount" sections on checks, then fill in inflated totals and cash them.

"People don't know it until they get their statements and find that instead of a \$25 check to Texaco, it's \$390," said Don Weikart, the city crime-prevention officer.

Weikart said 10 to 12 altered checks have been cashed so far, all in the neighborhood of \$400. Most were cashed in Pierce County.

"Apparently the check wash-

ing is very good," Weikart said. "It's going to be very hard to catch these guys unless someone gets a description or a cop happens to get lucky and stumble across something going on."

Jim Bordenet, a U.S. postal inspector spokesperson, said crimes such as this tend to be drug-related.

"The drug problem is endemic. It unfortunately is a sign of the times we live in," he said.

Bordenet said the thieves also are likely to steal mail from home boxes with red flags up indicating outgoing letters.

Weikart recommends that citizens either hand letters directly to their mail carriers, watch their mailbox until a carrier stops by, or else deposit mail inside post-office branches.

If anyone thinks their checks have been swiped, they should contact the Postal Inspectors Office at 442-6300 and report that someone has manipulated their checking account.

Said Bordenet: "They'll get all different kinds of indicators...that somebody's stolen their mail."

SEATTLE DIVISION

DATE: 8-9-93

PUBLICATION: HighLine Times

CITY & ST: Des Moines, WA

CASE INSPECTOR: S.R. Pilkey

The Courts

U.S. District Court, Seattle

Sentenced: Two Renton residents for their part in a scheme to use counterfeit keys to steal checks and credit cards from private mailboxes and Postal Service boxes on Capitol Hill in Seattle.

Federal Court Judge Barbara Rothstein sentenced William Bridwell, 28, to 21 months in prison and Kelly Whitaker, 27, to 37 months for the thefts last fall. The judge also ordered the two to pay \$31,000 in restitution.

Authorities arrested 13 people last spring in connection with the thefts. The thieves stole credit cards, outgoing mail containing signed checks and packages of blank checks sent to bank customers by check-printing firms.

SEATTLE DIVISION

DATE: 778-93

PUBLICATION: Times

CITY & ST: Seattle, WA

CASE INSPECTOR: B. Vranizan

Police crack down on 'check-washing' scam

W-48
by Andrew McKean

Thanks to an alert bank teller and Issaquah Police are on the verge of cracking a check-theft and forgery operation.

Though the prime suspect is still at large, police have his driver's license, a forged check and a bulging case file in hand. They hope to arrest the man, a 28-year-old Kent resident, in a matter of days.

Police and postal inspectors have been working the case since May 21, when the suspect walked into Issaquah's Seafirst Bank and tried to cash an altered check.

But the crime began several days earlier, when mail belonging to Mirromont resident Ken Evans was stolen from the mailbox at the end of his driveway.

Three signed checks that Evans enclosed as payment for bills were removed and the rest of the mail

was discarded. At least one check was "washed" in an acid solution that dissolved the signature, amount and payee information while retaining the pre-printed information.

'This wasn't the smartest criminal around.'

— Forger victim

The suspect then wrote the check to himself, forged Evans' signature, and tried to cash it.

The scam might have worked if the suspect hadn't broken two cardinal rules of forgery: first, he made the check out to himself; second, the amount he wanted in cash—\$931—was sure to raise suspicions.

"This wasn't the smartest criminal around," said Evans.

It might also have worked if Seafirst teller Judy Root hadn't just finished a training session about how to spot altered checks.

Issaquah Police said that Root immediately suspected that the slightly faded check was forged. She asked for the suspect's identification, and then alerted the branch manager, who turned on security cameras and called Issaquah Police.

The suspect, who apparently grew nervous over the wait, fled the bank without retrieving his drivers license. He hopped in a waiting blue Mercedes just as Issaquah Police officers arrived at the opposite side of the bank.

"It was one of those cases where you have to pick one side of the bank or the other," said Issaquah Officer Bob Porter, who has been investigating the case. "Luckily for the bad guy, we picked the wrong side."

As a result, the suspect got away, but the bank was able to record the Mercedes' license number, even by an accomplice. Community watch the bank's videotape and witness descriptions, the police say they know who they're after. Search warrants and arrests are forthcoming, said Porter.

According to Issaquah and King County Police and U.S. Postal Service inspectors, the Seafirst check-washing scam seems to be an isolated incident locally, though the Kent man is a suspect in forgeries elsewhere in the county.

Inspector Gerald Miera noted that the crime was a favorite activity of metropolitan Seattle gangs earlier this year. Last year, stolen checks valued at \$80,000 were forged in Seattle.

Miera and Officer Porter said the activity is growing in popularity on

the Eastside, though it's still a anomaly to area police.

The crime is relevant to anyone who sends or receives mail in a rural mailbox.

The inspector said that the forge apparently cruise neighborhood looking for mailboxes with red flags, signaling outgoing mail. Once they obtain the checks, the wash is easily accomplished with ingredients available at grocery or drug stores.

Porter said that residents shouldn't let mail linger in their letter boxes.

"The prevention, obviously, is remove your mail from your mailbox as soon as you get home," said. "And if you're paying a bill, take it to the local post office postal drop box."

If you're the victim of a check theft or forgery, call local police the post office immediately.

SEATTLE DIVISION

DATE: July 17, 1993

PUBLICATION: Valley News

CITY & ST: Issaquah, WA

CASE INSPECTOR: Dave Breaux

Magnolia News

225 W. Galer
Seattle, Washington 98119

March 24, 1993

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50¢ single copy

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no. 12

Two arrests made in mail-theft case; others suspected

By Russ Zabel

Two people were arrested March 5 in connection with thefts of mail from Postal Service relay and collection boxes on Capitol Hill. But thefts of mail have also plagued Queen Anne and Magnolia.

More reports of mail thefts are still coming in, but according to police reports and reader calls, letters were stolen from a collection box on Sixth Ave. West and West Galer St. in January, and checks that had been mailed from there were altered and cashed. Mail was also stolen from a collection box on West Lynn St. in Magnolia Village February 28.

The two people arrested in the case — 28-year-old William C. Bridwell and 27-year-old Kelly L. Whitaker — allegedly used forged keys to take mail from not only collection and relay boxes, but also from apartment house mailboxes. Outgoing checks from collection and relay boxes were allegedly taken and altered by the pair, and incoming checks and credit cards were allegedly stolen by the two from apartment house mailboxes.

According to a March 5 news release from the Post Office, 159 stolen checks were successfully negotiated for a total loss in excess of \$30,000 to area banks. There is no mention of credit card losses.

Postal Inspector in Charge Gerald Miera, in announcing the arrests of the two suspects, indicated they probably were not acting alone. "We believe other persons are involved in this scheme," he said. The Postal Inspection Service is the law-enforcement arm of the Postal Service.

Postal Inspector James Bordenet confirmed Miera's statement. "We are actively looking at several other (suspects)," he said. Bordenet also stressed that information in the case came from the public, although some information only substantiated facts already known by the Postal Service.

Bordenet said the Postal Service still needs the public's help. "We want to make sure that people who

have lost checks report to us," he said. Bordenet said they also need original documents and the names of the banks where altered checks were cashed.

The number to call is 442-6300, said Bordenet, adding that a \$1,000 reward is being offered to anyone who has information that will lead to the arrest and conviction of anyone stealing the mail. The penalty for mail theft is up to five years in jail and/or a \$250,000 fine for each count, according to the Post Office press release.

In the meantime, Bordenet suggests people either mail letters inside their local Post Office or have them picked up at work by mail carriers.

SEATTLE DIVISION

DATE: 3-24-93

PUBLICATION: Magnolia News

CITY & ST: Seattle, WA

CASE INSPECTOR: Breen

[210]

Altered check possibly stolen from post office collection box

By Tim St. Clair

STAFF WRITER

A Beach Drive woman got a call from a Seafirst Bank in Kent March 6. Two men were at the drive-up window trying to cash a \$350 check on her account.

The men got nervous and drove off while the teller was calling the woman to confirm the transaction. The check, which turned out to be one the woman wrote a month before to pay her \$60 phone bill, was confiscated by the bank.

The check likely was stolen from one of the collection boxes at the West Seattle Post Office.

U.S. Postal Inspectors don't know if the incident is related to the arrests March 5 of a man and woman from Renton for investigation of mail theft.

The pair allegedly had keys to mail boxes on Capitol Hill and might have been working with others.

According to the U.S. Postal Inspection Service, the pair is

suspected of chemically washing all handwriting off the stolen checks and rewriting them to a new payee with a new, and usually larger, amount.

The service suspects the pair stole 159 checks and cashed them for more than \$30,000.

More arrests are anticipated as investigators pursue other mail thieves active in the Seattle area, said Postal Inspector Jim Bordenet.

The victim said she didn't notice that the drive-up collection box at the West Seattle Post Office was full before she dropped her payment envelope into it. Then she didn't know which envelope was hers and she felt uncomfortable pulling mail out of the collection box. So she left it where it was, she said.

"Those boxes are very busy," said Louise Stafford, station manager. "Even though we pull them five times a day."

Sometimes people push

packages into the collection boxes that clog them up, Stafford said. Both she and Bordenet recommend mailing inside the post office whenever the outdoor collection boxes appear to be full.

Bordenet also recommends people not raise the flags on their mailboxes at home to alert the letter carrier of mail to be picked up.

"That red flag is a red flag for thieves," Bordenet said. "It can attract everything from juvenile vandalism to professional check thieves."

A stolen check provides a person's name, bank, bank account number, address and phone number, the postal inspector said.

The U.S. Postal Inspection Service is offering a reward of up to \$1,000 for information that leads to the arrest and conviction of anyone stealing mail. Call 442-6300.

SEATTLE DIVISION

DATE: 3-17-93

PUBLICATION: West Seattle Herald

CITY & ST: Seattle, WA

CASE INSPECTOR: Breault

Two charged in Capitol Hill mail-theft scam

Plot involved using stolen bank checks

By Angelo Bruscas
P-I Reporter

Two people have been arrested and charged in federal court in connection with a mail-theft and stolen-check scam that targeted the Capitol Hill area, U.S. Postal Inspection Service and U.S. Attorney's office authorities said.

In a seven-count criminal complaint filed Feb. 24 in U.S. District Court in Seattle, William C. Bridwell, 28, and Kelly L. Whitaker, 27, both of Renton, were charged with obtaining counterfeit keys to Postal Service street collection boxes in the Capitol Hill area.

According to the complaint, Bridwell and Whitaker also used counterfeit keys to enter apartments and condominiums in the Capitol Hill and Broadway areas, and to get into residents' mailboxes inside the buildings.

The scheme involved stealing credit cards and boxes of blank checks sent by check-printing companies to residents. Outgoing checks left by customers for pickup by the Postal Service also were stolen, the complaint said.

The checks were chemically washed of all handwriting, rewritten to a new payee with a new amount and then cashed at banks throughout the greater Seattle area, said Postal Inspector in Charge Gerald A. Miera.

The stolen checks on one ac-

count were made payable to a second victim and then deposited into that victim's account with a portion of the deposit being taken as cash back, a Postal Service press release said.

"We believe other persons are involved in this scheme, and we ask the public's continued help in bringing them to justice," Miera said.

The Postal Inspection Service is offering a reward of up to \$1,000 for information leading to the arrest and conviction of anyone

stealing mail. People with information should call the Seattle Postal Inspectors at 206-442-6300. Bridwell and Whitaker appeared yesterday before U.S. Magistrate Judge David E. Wilson. Bridwell was released on his own recognizance. Whitaker was released after her mother posted \$80,000 personal property as surety bond.

If convicted, they each face a maximum penalty of up to five years in prison and a \$250,000 fine for each count.

SEATTLE DIVISION

DATE: 3-9-93

PUBLICATION: Post-Intelligencer

CITY & ST: Seattle, WA

CASE INSPECTOR: Gerald A. Miera

Vranigan

Stelzer

SEATTLE DIVISION
 DATE: 3-9-93
 PUBLICATION: Seattle Times
 CITY & ST:
 CASE INSPECTOR: BREAU
 Vranizan
 Stelzer

□ D 2 The Seattle Times Tuesday, March 9, 1993

Renton pair charged in Capitol Hill mail-theft scheme

Counterfeit keys used to open boxes, steal checks

by Sally Macdonald
 Times staff reporter

Two Renton residents have been charged in federal court in connection with a theft of mail from private residences and Postal Service boxes on Capitol Hill in Seattle.

William Bridwell, 28, and Kelly Whitaker, 27, were arraigned yesterday after a months-long investigation into a scheme that involved using counterfeit keys to steal checks and credit cards. Eleven other people were arrested earlier

on state charges, said James Bordenet, a Postal Service inspector and spokesman for the Seattle office.

Bridwell was released on his own recognizance, and Whitaker was released after her mother posted \$80,000 bail.

A hearing has been set for March 29 before U.S. Magistrate David E. Wilson.

Bordenet said there may be more arrests.

Bridwell and Whitaker "are not the top people but they are main players. It's still developing," he

said. The thefts occurred between September and December, and the first arrests were made in October. The latest arrests were announced yesterday.

According to a statement by U.S. Attorney Mike McKay and Postal Inspector in Charge Gerald A. Miera, members of the mail-theft ring used counterfeit keys to open large collection mailboxes used by the public and the olive-brown boxes used by postal employees to stash mail for delivery. Counterfeit keys also were used

to enter apartment buildings and condominiums and open the banks of mailboxes inside.

The thieves stole credit cards, outgoing mail containing signed checks and boxes of blank checks sent to bank customers by check-printing firms.

In some cases, the ring members used a chemical to alter checks and re-write them to a new payee with a new amount.

In other cases blank checks from one victim were made payable to another victim.

The checks then were deposited into the second account with a portion of the deposit being taken as cash back.

Miera said 159 stolen checks were negotiated in that way, costing area banks more than \$30,000. Capitol Hill residents complained last fall that the public collection boxes and the relay boxes used by carriers were easy targets because of their simple locks and a key common to all the boxes in the Seattle area.

In January, the Postal Service put extra padlocks on boxes on Capitol Hill and in North Seattle.

Those charged earlier in thefts are Crystal Ann Baker, 24, and Kim Tamay Thomas, 23, both of Kent, and Garret Lance Evans, 28; Kenneth Allen Lowe, 28; Anthony Bert McDonald, 24; Rosalie Joy

Hardenbrook, 31; Arthur Allen Shockley, 57; Lexi Kayleen Brunette, 35; Anthony Wayne Knapp, 28; Norman Joseph Forrest, 23, and Stephan Copeland, 21, all of Seattle.

Anyone convicted of stealing or possessing stolen mail faces up to five years in prison and a \$250,000 fine for each count.

Miera said Capitol Hill residents helped investigators by reporting suspicious activity around the boxes.

"We believe other persons are involved in this scheme, and we ask the public's continued help in bringing them to justice," Miera said.

[213]

148 Missing mail taken from Queen Anne drop box

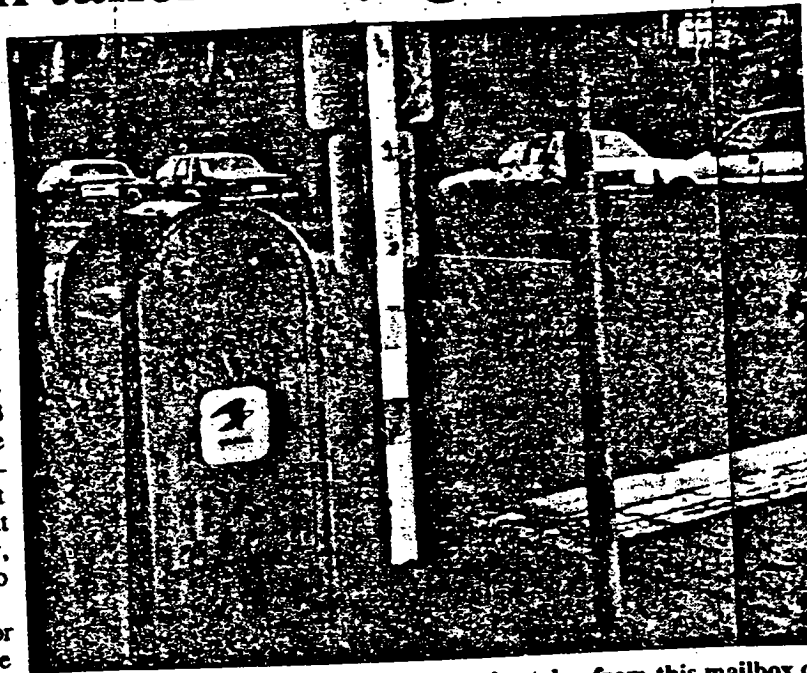
by Russ Zabel

Capitol Hill isn't the only neighborhood that is having a problem with thefts from mailboxes. According to two police reports, outgoing mail was taken from a mailbox on the corner of 6th Ave. West and West Galer St. the first few days of January.

In one case, a woman dropped a letter in that mailbox that contained a check for \$18.88 for four jars of jam from an Oregon firm. But she got a call from her bank January 3 informing her that a man — whose name is listed in the police report — was trying to cash that check. But the check had been altered so that it was made out to a different party, and the amount had been changed to \$425 as payment for some tires.

The bank didn't cash the check for the man, and the woman told police she didn't even know anyone by the name listed, and she certainly hadn't written him a check for tires.

In a second case involving the mailbox, on January 4, a postal carrier asked a woman who lives in the 600 block of West Galer whether she had seen anyone tampering with the box. She said she hadn't, but



An unknown amount of mail was recently stolen from this mailbox on the corner of West Galer St. and 6th Ave. West. (Photo by Russ Zabel)

then asked the carrier to check and see if five letters she had mailed were in the bunch he had just picked up. They weren't. The letters were bill payments to US West, Visa, BP Oil, Discover and Frederick and Nelson.

It is unknown how mail was taken from the box on West Galer St., but police have discovered that keys were used in the thefts from Capitol

Hill mailboxes — which contained mail to be delivered. According to published reports, 11 people have been arrested so far for the Capitol Hill thefts.

Jim Bordenet, a postal inspector and public information officer for the Post Office, said that they are finding the thefts are drug-driven. "Mail is an attractive target, unfortunately," said Bordenet.

He said postal inspectors will be checking into the matter. Bordenet also said the Post Office is offering rewards of up to \$1,000 for the arrest and conviction of anyone stealing mail. The number to call with such information is 442-6300, and the caller's identity will be kept confidential, he said.

Bordenet also suggested that if anyone sees anything suspicious to call the police at 911. In most cases, postal workers picking up mail will be in uniform. There are instances, however, when postal workers will be wearing street clothes, but they will be using Post Office vehicles.

In the meantime, Bordenet suggested that people take their outgoing mail to the post office or have it picked up where they work.

SEATTLE DIVISION

DATE: 1-13-93

PUBLICATION: Queen Anne News

CITY & ST: Seattle, WA

CASE INSPECTOR: Dave Breault

Inside Seattle

Rash of mail thefts on Capitol Hill

Thieves used
counterfeit keys
to open boxes

Sally Macdonald
is staff reporter

At least 11 people have been charged and 10 others are being investigated in connection with a rash of mail thefts throughout the city since October.

Postal inspectors say in most cases counterfeit keys were used to open the olive green boxes used to stash mail until carriers pick it up for delivery. In a few cases, thieves looking for cash, checks or debit cards pried open locked mail boxes or banks of mail boxes in apartments.

Residents of Capitol Hill, which has been particularly hard-hit by mail thieves, say the boxes are easy pickings because they have simple locks and a key that is common to all the boxes in the little area.

Postal inspectors have since put locks on all the Capitol Hill mailboxes and are adding them to boxes all over Seattle's north end.

"This is particularly frustrating because the postal service was informed a year ago that this was a growing problem," said Robert Bowlin, a Capitol Hill resident who hid the relay box behind his condominium complex was hit five times since October. "Somebody got a key and just copied it. These crooks have access to all our mail."

Thefts from the relay boxes are a growing problem, said James Bordenet, a postal inspector and spokesman for the Seattle office. In the last reporting year ending Sept. 30, 91 people were arrested in this area for mail theft, mostly from private mail boxes or street-corner collection boxes.

If arrests continue at the same rate, this year's total will be much higher, Bordenet said.

Bordenet said those charged in the thefts since Oct. 15 are Crystal Baker, 24, and Kim Tarnay Thomas, 23, both of Kent, and arrest Lance Evans, 28; Kenneth Allen Lowe, 28; Anthony Bert MacDonald, 24; Rosalie Joy Harbison, 31; Arthur Allen Shockley, 57; Lexi Kayleen Brunette, 35; Anthony Wayne Knapp, 28; Norman Joseph Forrest, 23, and Stephan T. Copeland, 21, all of Seattle.

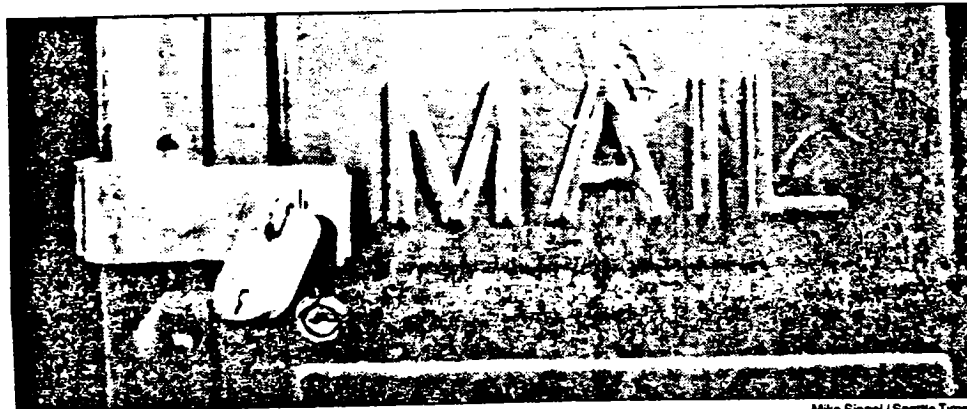
The suspects have been arrested on state charges resulting from the investigation by the postal service and local law enforcement agencies, Bordenet said. Federal mail theft charges may be filed in the future.

Bordenet said none of the suspects are connected to the postal service. But they may be part of a ring. "We believe there is some element of organization, although there may be some freelancers," Bown said he and his neighbors called the Bremerton branch



Letter carrier Kelvin Phillips closes one of the relay boxes he uses on his mail route on Capitol Hill.

Mike Siegel / Seattle Times



Mike Siegel / Seattle Times

To help eliminate theft, an extra lock has been added on postal relay boxes.

post office last October when they first noticed there'd been no regular mail delivery.

Later, after the mail was stolen again, a merchant in the area reported seeing a blond woman drive up to the box, open it with a key and empty the mail into her car. The theft took only seconds.

According to Bordenet, mail thieves usually are looking for "cash or anything they can turn into cash." Blank checks from the bank or credit cards are particular-

ly desirable.

'Lots of credit cards'

Why has Capitol Hill been such a target?

"It's an affluent area, with mail that's attractive to them, lots of credit cards," said Bordenet.

Bowlin criticized the postal service for not acting sooner on the neighbors' complaints.

But Bordenet said the 24 investigators in the Seattle office went

to work on the case right away and have put secondary locks on most of the boxes on Capitol Hill.

Banks or businesses are the ultimate victims of checks or credit cards sent through the mail, Bordenet said. "But it's a terrible hassle for the resident, too. It takes several weeks for them to find out anything's wrong. And of course they feel awful that someone's stolen all their mail."

"You have no way of knowing what's really missing," Bowlin

said. "We've had people tell us they wrote a letter or something and we had no way of knowing."

Tips for residents

There's not much residents can do to protect themselves from a thief with a key, Bordenet said.

But he did give some tips:

■ Apartment or condominium residents should put their mail boxes in locked areas.

■ People with rural-type mailboxes should never put mail in them to be picked up. "That red flag telling the carrier there's mail in there is just a red flag to the thief, too. And that's the best mail of all, checks with your signature on them, mail that can tell them a lot about you," Bordenet said. "Take your mail to the post office or a collection box."

■ Never mail cash.

Bordenet said the boxes are usually opened by uniformed carriers, although occasionally a temporary carrier might be dressed in civilian clothing. They usually drive marked cars or trucks.

The postal service has a standing \$1,000 reward for information leading to the arrest and conviction of mail thieves, Bordenet said. Anyone who has information should call 442-6300. Callers' identities are kept confidential.

Mail thieves deliver headaches

By Wendy Culverwell

Christmas check or credit card you've been expecting to appear in your mailbox hasn't arrived, get nervous.

Federal Way, along with Kent and Auburn, is in the midst of a mail-theft rash and thieves are after anything they can spend.

That includes credit cards and checks and cash stashed into holiday greeting cards. Account numbers from statements and bills can be misused too.

The Auburn Post Office, which oversees the two postal stations in Federal Way, has collected thousands of ripped-open pieces of mail. The thieves grab mail from residential boxes, rip it open and then discard the remains along roadsides or in other mailboxes.

On a table in the Auburn stationmaster's office, hundreds of pieces are spread on display.

"We see theft every year, but this is by far the worst I've ever seen," said Mike Hooves, manager of the Auburn office.

Some of the ripped-open pieces contain bills. Others contain bank statements and mailings from doctors, which sometimes contain refund checks. Even Christmas cards get opened. Thieves know they may find cash inside.

Linda Eastman, delivery supervisor for the Auburn area, said the rash of thefts started about eight weeks ago. The Auburn West Hill, Star Lake and Twin Lakes areas have been particularly hard-hit.

Inspector Jim Bordenet, public information officer for the U.S. Postal Service in Seattle, asks for the public's help in catching the thieves. He suspects two kinds of circles are at work — professionals looking for credit cards and kids looking for cash.

HE DECLINED to disclose how he can tell the two apart.

So far, the thieves have targeted mail in residential mail boxes. Anyone who sees suspicious activity near mail boxes is asked to report descriptions and license plate numbers to police. After that, Bordenet says that you call the postal inspector's office, 442-6300.

Postal patrons should also take steps to protect themselves



John Froschauer/staff

Linda Eastman, delivery supervisor for the Auburn area, sifts through mail that has been taken from patrons' boxes, opened and dumped. A wave of mail theft is hitting Auburn and surrounding communities, including Federal Way.

as long as the thieves are active, Bordenet said.

"Minimize opportunities for the thieves to steal," he said.

That means collecting your mail as soon as it arrives. If you're not home during the day, ask a trusted neighbor to bring in your mail for you.

IF YOU'RE going away, the

than from an unsecured residential mail box.

Tampering with the U.S. Mail is, of course, a felony offense. For each piece tampered with, the maximum penalty is a \$2,000 fine and/or five years in prison.

Eastman advises customers to be especially wary about an-

SEATTLE DIVISION
DATE: 12-19-92
PUBLICATION: F. WAY NEW
CITY & ST: Federal Way, W
CASE INSPECTOR:
DAVE BEAULT

Capitol Hill

Mail thieves hit Capitol Hill

■ Officials report at least 10 thefts from relay boxes.

■ By Rebecca Jones
News Editor

Neither snow nor sleet nor dead of night may keep postal workers from making their appointed rounds, but some thieves with counterfeit keys are preventing them from getting the mail to some Capitol Hill residents.

According to Postal Inspector Jim Bordenet, the U.S. Postal Service is looking at a number of suspects who have counterfeit keys to the large, olive green relay boxes — the local depositories where carriers pick up their mail for delivery. Capitol Hill has seen a dramatic increase in the number of these thefts, with at least 10 incidents occurring in the last two months.

"The reality is that the vast majority of these thefts are drug-related," he said. "We know some of the players and we know they're involved in drugs."

The thieves are generally looking for "negotiable" items or items they can make negotiable, Bordenet said. The list includes things such as cash, checks, credit cards, financial statements, automatic teller machine cards or valuables that can be sold for cash. It is a particularly distressing phenomenon, especially with the holidays just around the corner.

Bob Bowlin, who lives in a condominium in the 300 block of Melrose Avenue East, said his building has been hit three times since Nov. 9.

"Within a week (after the first

incident), it happened again," he said.

The most recent theft of the condominium's mail occurred on Dec. 5. Bowlin said he is frustrated because it appears that the Postal Service doesn't seem to care.

"What is particularly galling is that the postal authorities are simply indifferent to the problem," he said. "They seem to be taking this very nonchalantly."

Although Bowlin has received a sympathetic ear at the field office, he believes the Postal Service should have acted quicker and should be doing more to secure the relay boxes.

"They've endangered, or put at risk, the security of people and of the mail," he said.

However, Bordenet said, inspectors have taken additional security steps to curb what he deemed a severe problem. Solving these kinds of cases takes a combination of things, he said. Most of it involves good, hard police work, but some of it comes down to luck and timing.

"We have to find these people (suspects) to talk to them," he said. "And it's not like they're out there identifying themselves."

Bordenet said the Postal Service is asking for the public's help and is offering a reward of up to \$1,000 for information leading to the arrest and conviction of the thieves.

Mail theft is a federal offense that carries a maximum penalty of

five years in jail and a \$5,000 fine for each letter. Thieves could also be subject to prosecution under state and local laws for offenses such as fraud and possession of stolen property.

How to protect yourself

Postal Inspector Jim Bordenet said it's hard for residents to protect themselves against relay box thefts. However, there are a couple of common-sense precautions that can minimize the chances that someone will tamper with your mail.

- Never mail cash. Despite years of warnings against this activity, Bordenet said many people still send money through the mail.

- Don't use your mailbox for outgoing mail, especially the rural-style "red flag" type.

"Unfortunately, it winds up being a red flag to thieves," he explained.

Even the trusty blue mailboxes on the corner aren't as safe as taking your mail directly to the post office or mailing it from your workplace, he said.

"I don't want to alarm people, but things have come to that point," he said. "There are thieves that are looking to steal mail."

SATURDAY, DECEMBER 12, 1992

NORTHWEST

THE SEATTLE TIMES A

Post office: Capitol Hill theft, fraud cases nearly solved

by Kate Shatzkin
Times staff reporter

The Postal Service says it is close to solving a string of mail thefts in which numerous checks, credit cards and holiday messages were taken from Capitol Hill mailboxes in recent months.

Incoming mail for hundreds of residents of the Broadway Post Office district has been stolen, and banks and merchants have lost \$20,000 to fraudulent transactions as a result of the thefts, said Jim Bordenet, spokesman for Postal Service inspectors in

Seattle.

Since the beginning of October, 15 adults in the Seattle area have been arrested for investigation of forgery and check fraud believed to be connected to mail theft, Bordenet said. Some of those people are suspects in the Broadway thefts.

The mail has been stolen from relay boxes, so named because carriers use them to store large volumes of mail as they make deliveries in a neighborhood. Thieves have been able to fashion keys to some of the boxes to get inside. There they stole payroll and blank checks and credit-card numbers

to finance drug purchases, Bordenet said.

The practice is on the rise in Seattle and around the country. Last year, the Postal Service broke up a ring of suspects who were using checks stolen from outgoing blue mailboxes from Mountlake Terrace to Tacoma.

Some residents complain the Postal Service has been slow to act in the recent cases, and not always efficiently.

For example, postal inspectors installed a second lock on one relay box in Capitol Hill to prevent recurring thefts. But, Bordenet confirmed, last Saturday a carrier forgot a

key to the second lock and left mail another nearby relay box — which was that day.

Bordenet said inspectors now have employed "extra security measures" to protect relay boxes in the Broadway district, which he would not describe.

The Postal Service is offering a reward up to \$1,000 for information leading to arrest and conviction of suspects in Capitol Hill thefts.

Information can be relayed at any time by calling 442-6300, and will be kept confidential.

SEATTLE DIVISION

DATE: 12-12-92

PUBLICATION: Seattle Times

CITY & ST: Seattle, WA

CASE INSPECTOR: D. Breaux

(218)

NEWS OF RECORD

Thieves heist thousands of pieces of mail

By CHERYL MURFIN
Valley Daily News

AUBURN - That \$20 you planned to send your grandchild for Christmas? Not a good idea, say local post office officials.

Mail raiders hit South King County over Thanksgiving weekend, stealing thousands of pieces of mail from boxes in Auburn, Federal Way, Pacific and Algonia.

"This is the worst we've seen," Mike Hoover, postmaster for the victimized cities, said. "I've been around 21 years and I've never seen it this bad."

On Tuesday hundreds of pieces of soggy, soiled mail were still sitting on Hoover's desk. The mail was found strewn across lawns and streets, after envelopes were opened and rifled through.

The bandits were apparently looking for checks, credit cards or hard

and tossed on the ground, teens are the likely culprits.

"Cash is the key," Hoover said. "They are walking past mail boxes to and from school, looking for it in Christmas cards."

The post office suggests residents take several precautionary measures.

- Never put hard currency in the mail.

- Put out-going mail, especially Christmas cards, in a locked mail box or send them from work.

- Retrieve mail from the box as soon as it is delivered. If you are home late, have a trusted neighbor pick it up for you.

- Report stolen mail immediately to police and the post office.

Mail theft is a felony, Bordenet warned. Thieves face fines up to \$2,000 per piece of stolen mail and or five years in jail per piece.

"It's a federal crime, it's wrong

and it's disruptive to neighbors and the post office," he said. "With one stolen credit card you could have losses of thousands of dollars." One recent series of check thefts in Seattle resulted in a \$50,000 loss for banks, he said.

"Guess who pays for it? We do," Bordenet said. "Each time our yearly credit card rate goes up, we pay for it."

"Parents need to get the message out to their young children and older children," Hoover said. "We will prosecute."

The postal service is offering a \$1,000 reward for information that leads to the arrest of mail thieves.

"We're asking for public help to stop this," Bordenet said. "If someone sees a license plate or anything they should call the police."

To report information, call postal investigators at 442-6300.

'This is the worst we've seen. I've been around 21 years and I've never seen it this bad.'

Mike Hoover, postmaster

currency, Hoover said.

"All the bank statements were opened, all the Christmas cards were thoroughly gone through," he said.

U.S. Postal Inspector Jim Bordenet said the thefts were likely done by both professional thieves and teenage vandals.

"Professionals will usually check through things more carefully, maybe take them somewhere and go through them," Bordenet said. Where mail was simply ripped open

SEATTLE DIVISION

DATE: 12-2-92

PUBLICATION: Valley Daily News

CITY & ST: Auburn, WA

CASE INSPECTOR: Division P10

Thieves target your checks

By Marc Stiles
STAFF WRITER

Des Moines resident Sandy Mott was snared in a web of crime that was spun just outside her home last month.

On Sept. 19, Mott wrote \$150 worth of checks to creditors and sent them — or so she thought — from her residential mailbox.

Six days later a First Interstate Bank employee notified her that someone had swiped the checks, which were cashed at a Federal Way branch after being chemically altered.

Although they have no current statistics, postal inspectors and King County police say there has been a marked increase of mail thefts that result in washed checks.

Crooks equipped with counterfeit keys are even breaking into U.S. Postal Service collection and relay boxes. "We hate to admit it," postal inspector Steve Schneringer said, "but it's true."

No mail has been stolen from collection boxes in Burien or Des Moines, added another inspector, Jim Bordenet. That typically happens in more urban areas.

"There's an increase (in mail thefts) all over this region," said Sgt. Steve Davis of the county's Fraud Unit. He added incidents have been reported from Snohomish to Pierce counties.

Some arrests have been made, but the crimes continue throughout the Puget Sound region.

"It's really everywhere," said Detective Laura Hoffenacker of the county's Fraud Unit. "It depends on what area these people are working, and they move around a lot."

Bordenet said there has been a series of recent thefts of outgoing mail in the Des Moines area.

Mott reported that a neighbor had checks totaling \$4,000 stolen from her mailbox. The victim, who was unavailable for comment, lives four blocks away from Mott's

residence near Parkside Elementary School.

With the public's help, authorities say they can stop mail thefts.

"We are warning people not to use their mail boxes, especially their rural mailboxes, as a receptacle for outgoing mail," Bordenet said. "That red flag is a red flag for thieves."

Incoming mail should be retrieved from the box as soon as possible. If there will be a delay, have a neighbor or friend get the mail, Bordenet advised.

Anyone who sees a mail theft in progress should call 9-1-1. Citizens with less timely information can telephone the postal inspector's Seattle office at 442-6300.

County police are urging merchants to use caution when cashing checks. Cashiers should be suspicious if the check seems brittle, has more than one color of ink or inconsistent penmanship.

Marguerite Lynde, a public relations officer for First Interstate Bank, cautioned people not to write checks with felt-tip pens because the ink is easier to remove. She added people should check their account statements each month.

"The bank absorbs the loss so it's something we are taking real seriously," Lynde said.

Even though Mott didn't have to pay for her thief's debit-writing spree, she lost plenty of time straightening out her financial affairs.

The crime continues to affect her life, Mott said, since now she is now compelled "to closely watch my mailbox."

SEATTLE DIVISION

DATE: 11-1-92

PUBLICATION: Highline Times

CITY & ST: Burien, WA

CASE INSPECTOR: Brian Vranizan /
David Stelzer

(220)

November 1, 1992

Vol. 49 No. 132

The Highline Times

SUNDAY

50 cents

WEST SOUND

THE SUN ■ SERVING WEST SOUND ■ MONDAY, OCTOBER 5, 1992 ■ A5

KITSAP COUNTY

Theft of checks in mail nets prison term

SEATTLE — Two people have been sentenced to prison for stealing tens of thousands of dollars worth of checks from the mail in five counties, including Kitsap.

Earl L. McCoy, 31, of White Salmon, and Belinda S. Ruffcorn, 29, of Seattle, pleaded guilty in late July to bank fraud charges.

On Friday in U.S. District Court, McCoy was sentenced to 2½ years in prison followed by five years supervised release. He was also ordered to make \$15,185 restitution.

Ruffcorn was sentenced to 16 months in prison followed by five years supervised release. She was ordered to make restitution of \$10,206.

A federal grand jury on June 3 indicted the two on a total of 50 counts of possession of stolen mail and bank fraud charges. The thefts occurred in 1990 and 1991 in King, Pierce, Snohomish, Thurston and Kitsap counties.

The two were accused of stealing bulk mailing packets of blank checks sent by check printing companies to residences from Everett to Olympia. They also stole letters containing completed checks that people had placed in mailboxes for pickup by the U.S. Postal Service, the charges alleged.

U.S. marshals arrested McCoy and Ruffcorn on June 23 at a motel near Seattle-Tacoma International Airport. Additional checks recently stolen from residences in Bremerton and Olympia were found in the couple's car, authorities said.

James Bordenet of the Postal Inspection Service said many of the checks were cashed in other jurisdictions so it's impossible to sort out the loss for Kitsap County alone, but area banks lost a total of \$32,000 from the fraud.

Pierce McIntosh, inspector in charge, said the pair would make the blank checks payable to themselves and forge the name of account holders. They would also alter checks that had been signed to include themselves as alternate payees, McIntosh said.

Bordenet said 20 years ago it was safe to mail letters from individual homes, "but it's just not safe anymore because of people like this. Letters should be mailed in post offices and letter collections boxes for the citizen's own protection."

SEATTLE DIVISION

DATE: 10-5-92

PUBLICATION: Bremerton Sun

CITY & ST: Bremerton, WA

CASE INSPECTOR: Stan Pilkey

2 sentenced for stealing checks from mail

The Associated Press

Two people have been sentenced to prison for stealing tens of thousands of dollars' worth of checks from the mail.

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SEATTLE DIVISION

DATE: 10-4-92

PUBLICATION: News Tribune

CITY & ST: Tacoma, WA

CASE INSPECTOR: Stan Pilkey

[222]

B 2 Sunday, October 4, 1992

Northwest

BRIEFLY

Two sentenced for stealing checks in mail

■ SEATTLE

Two people have been sentenced to prison for stealing tens of thousands of dollars' worth of checks from the mail.

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SEATTLE DIVISION
DATE: 10-4-92
PUBLICATION: Seattle Times
CITY & ST: Seattle, WA
CASE INSPECTOR: STAN PILKEY

(223)

BRIEF

CASE NO. 466-1032191-FC(1)

SUBJECTS: FRANK A. TRAINOR
JEFFREY R. SPAKOWSKI
REGGIE P. STEINMARK

POSTAL INSPECTORS CONDUCTED A JOINT INVESTIGATION WITH INTERNAL REVENUE AGENTS RELATED TO MULTICORP, INC., AKA W.S. DISTRIBUTORS AND WIRELESS SECURITY SYSTEMS. REGGIE P. STEINMARK AND JEFFREY R. SPAKOWSKI WERE TELEPHONE SOLICITORS FOR THE NOW DEFUNCT MULTICORP IN 1989. FRANK A. TRAINOR WAS AN INDEPENDENT BUSINESS OWNER WHO ILLEGALLY PROCESSED CREDIT CARD TRANSACTION FOR MULTICORP BECAUSE THE FIRM DID NOT HAVE ACCOUNTS TO DO SO ITSELF. AS PART OF THE SCHEME, PEOPLE ACROSS THE COUNTRY WERE MAILED POST CARDS NOTIFYING THEM THAT THEY HAD WON ONE OF FIVE PRIZES AND URGING THEM TO CALL A TOLL-FREE TELEPHONE NUMBER FOR MULTICORP IN FORT WORTH, TEXAS. RESPONDENTS TO THE POST CARD SOLICITATION WERE INFORMED THEY HAD TO PURCHASE A WATER PURIFICATION UNIT OR HOME SECURITY SYSTEM AT PRICES RANGING FROM \$387.00 TO \$487.00, OR PAY A \$12.95 FEE BEFORE BECOMING ELIGIBLE TO RECEIVE A PRIZE. PURCHASERS WERE ENCOURAGED TO PAY BY CREDIT CARD. FACTORS WERE USED BY MULTICORP OWNERS TO LAUNDER CREDIT CARD CHARGES THROUGH MERCHANT ACCOUNTS THAT HAD BEEN OBTAINED UNDER FRAUDULENT PRETENSES. A FEDERAL GRAND JURY CHARGED THE SUBJECTS WITH MAIL, WIRE, AND BANK FRAUD; MONEY LAUNDERING; AND CONSPIRACY.

DUE TO THIS TELEMARKETING SCHEME, OVER 50,000 INDIVIDUALS WERE DEFRAUDED OF \$9 MILLION BETWEEN APRIL, 1989 AND FEBRUARY, 1990.

THE SUBJECTS WERE CONVICTED WITH GUILTY VERDICTS ON JANUARY 20, 1993, AND RECEIVED SENTENCES AS FOLLOWS:

FRANK A. TRAINOR, JR. - EIGHT YEARS AND ONE MONTH CUSTODY, THREE YEARS PROBATION, \$150 SPECIAL ASSESSMENT FOR GUILTY VERDICT ON ONE COUNT OF CONSPIRACY, BANK FRAUD, AND MONEY LAUNDERING

REGGIE P. STEINMARK - FIVE YEARS CUSTODY, THREE YEARS PROBATION, \$400 SPECIAL ASSESSMENT FOR GUILTY VERDICT ON ONE COUNT OF CONSPIRACY, BANK FRAUD, AND MONEY LAUNDERING

JEFFREY R. SPAKOWSKI - THREE YEARS AND TEN MONTHS CUSTODY, THREE YEARS PROBATION, \$450 SPECIAL ASSESSMENT FOR GUILTY VERDICT ON ONE COUNT CONSPIRACY AND EIGHT COUNTS WIRE FRAUD

BRIEF

CASE NO. 539-1049844-FC(1)

SUBJECT: JOHN ARCHER

THE POSTAL INSPECTION SERVICE INVESTIGATED A TELEMARKETING SCHEME THAT INVOLVED SOLICITING CUSTOMERS THROUGH THE MAILS. ON DECEMBER 20, 1991, JOHN ARCHER SURRENDERED TO U.S. MARSHALS IN CLEVELAND OHIO. A WARRANT FOR JOHN ARCHER HAD PREVIOUSLY BEEN ISSUED ON NOVEMBER 22, 1991, BASED ON A COMPLAINT FILED CHARGING ARCHER WITH CONSPIRACY TO COMMIT FRAUD BY MAIL, WIRE FRAUD AND CAUSING THE UNAUTHORIZED USE OF ACCESS DEVICES (CREDIT CARDS) IN A SCHEME TO DEFRAUD CONSUMERS AND FEDERALLY INSURED FINANCIAL INSTITUTIONS. JOHN ARCHER OWNED AND OPERATED UNITED MARKETING GROUP, INC., INDEPENDENCE, OH. UNITED MARKETING GROUP, INC., WAS A FRAUDULENT TELEMARKETING ROOM THAT SOLICITED CUSTOMERS VIA THE U.S. MAILS AND BY TELEPHONE OFFERING FOUR PRIZES. CUSTOMERS WERE REQUIRED TO PURCHASE A "BAHAMA VACATION PACKAGE" FOR \$329.00 TO \$379.00 IN ORDER TO RECEIVE ONE OF THE FOUR PRIZES. VARIOUS MISREPRESENTATIONS WERE MADE TO CUSTOMERS CONCERNING THE VACATION PACKAGES.

JOHN ARCHER AND HIS CO-CONSPIRATORS OPERATING UNITED MARKETING GROUP, INC., NATIONAL CREDIT SERVICE AND AMERICAN FAMILY PROTECTION SERVICES WERE RESPONSIBLE FOR 17 MILLION DOLLARS IN SALES OF FRAUDULENT TRAVEL AND CREDIT CARD PROTECTION PACKAGES THAT GENERATED LOSSES TO 14 FINANCIAL INSTITUTIONS OF MORE THAN \$4 MILLION. THOUSANDS OF CONSUMERS WERE VICTIMIZED BY THIS SCHEME.

JOHN ARCHER WAS CONVICTED OF CONSPIRACY, BANK FRAUD, WIRE AND MAIL FRAUD, MONEY LAUNDERING, AND STRUCTURAL CURRENCY TRANSACTIONS IN CONNECTION WITH THE TELEMARKETING SCHEME. ARCHER WAS SENTENCED TO 30 MONTHS IMPRISONMENT, FOLLOWED BY 3 YEARS SUPERVISED PROBATION. ARCHER WAS ALSO FINED \$400.00.

BRIEF

CASE NO. 648-1025999-FG(1)

SUBJECTS: LARRY H. MASTERS
RICHARD GARZA

THE POSTAL INSPECTION SERVICE CONDUCTED AN INVESTIGATION CONCERNING FRAUDULENT MEDICARE CLAIMS. ON OCTOBER 13, 1989, A CRIMINAL INFORMATION WAS FILED IN THE SOUTHERN DISTRICT OF TEXAS, CHARGING ALTERNATIVE HEALTH CARE SERVICES, INC., SPRING, TX, ALONG WITH LARRY H. MASTERS AND RICHARD GARZA, WITH CONSPIRACY TO DEFRAUD THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES THROUGH THE SUBMISSION OF FRAUDULENT MEDICARE CLAIMS FOR PAYMENTS.

THE INVESTIGATION DETERMINED THAT APPROXIMATELY \$3.3 MILLION IN FRAUDULENT CLAIMS HAD BEEN FILED.

ON MARCH 2, 1990, LARRY H. MASTERS AND RICHARD GARZA WERE SENTENCED BY U. S. DISTRICT COURT JUDGE NORMAN BLACK. EACH OF THE DEFENDANTS WERE SENTENCED TO FIVE YEARS PROBATION AND EACH WAS JOINTLY AND SEPARATELY ORDERED TO PAY RESTITUTION OF \$826,000 AND FINES OF \$250,000.

BRIEF

CASE NO. 647-1083239-FG(1)

SUBJECT: STEVEN DAVID WYMER

ON DECEMBER 12, 1991, THE U.S. ATTORNEY'S OFFICE, LOS ANGELES, REQUESTED A POSTAL INSPECTION SERVICE INVESTIGATION AS A RESULT OF A SECURITIES AND EXCHANGE COMMISSION REFERRAL INVOLVING STEVEN DAVID WYMER, OWNER/OPERATOR, INSTITUTIONAL TREASURY MANAGEMENT, INC., FORMERLY J. A. DENMAN COMPANY, NEWPORT BEACH, CA. WYMER, WHO WAS MANAGING MONEY FOR CITIES, COUNTIES, INDIVIDUALS, AND OTHER COMPANIES THROUGHOUT THE COUNTRY, WAS DISCOVERED MAKING IRREGULAR AND/OR ILLEGAL TRADES IN ADVISORY CLIENTS' ACCOUNTS, WHICH HE PERSONALLY HANDLED, BY SECURITY AND EXCHANGE COMMISSION EXAMINERS. STEVEN D. WYMER WAS CAUGHT BY THE SECURITY AND EXCHANGE COMMISSION CONDUCTING NUMEROUS IRREGULAR AND/OR ILLEGAL TRADES IN AN APPARENT ATTEMPT TO COVER UP THE FACT THAT IN EXCESS OF \$65 MILLION OF ADVISORY CLIENTS' FUNDS WERE MISSING. ON DECEMBER 17, 1991, POSTAL INSPECTORS ARRESTED STEVEN DAVID WYMER ON A CRIMINAL COMPLAINT ISSUED BY U.S. MAGISTRATE VENETTA TASSOPULOS.

STEVEN DAVID WYMER DEFRAUDED APPROXIMATELY 17 OF HIS 61 MUNICIPAL/GOVERNMENT UNIT CLIENTS OUT OF APPROXIMATELY \$117 MILLION.

ON SEPTEMBER 29, 1992, DAVID WYMER PLED GUILTY TO A NINE-COUNT INFORMATION. ON MAY 11, 1993, WYMER WAS SENTENCED TO SERVE 14 YEARS, 2 MONTHS IN PRISON. HE WAS ALSO ORDERED TO PAY RESTITUTION OF \$92,732,000.

BRIEF

CASE NO. 592-1053008-FB(1)

SUBJECT: THOMAS J. BARDEL

THE POSTAL INSPECTION SERVICE RECEIVED COMPLAINTS THAT GENERAL DATA LIMITED, LARGO, FLORIDA, AND ITS OPERATOR, THOMAS J. BARDEL, ENGAGED IN A SCHEME TO OBTAIN MONEY THROUGH THE MAIL BASED ON FALSE REPRESENTATIONS. COURT PAPERS ALLEGED THAT GENERAL DATA LIMITED IS A TELEMARKETING OPERATION THAT VICTIMIZED BUSINESSES NATIONWIDE. TELEMARKETERS CALLED BUSINESSES TO OBTAIN AUTHORIZATION TO SHIP COMPUTER PRINTER RIBBONS USING DECEPTIVE TACTICS. SHORTLY FOLLOWING THE SHIPMENT OF THE RIBBONS, INVOICES WERE MAILED TO THESE BUSINESSES REQUESTING PAYMENTS BY RETURN MAIL IN AMOUNTS UP TO FIVE TIMES THE PREVAILING MARKET PRICES. THOMAS J. BARDEL HAD PREVIOUSLY ENTERED A GUILTY PLEA TO TWO COUNTS OF MAIL FRAUD ON MAY 26, 1993.

DURING THE 18 MONTHS THIS FIRM OPERATED (JUNE 1989 TO DECEMBER 1990), OVER 4,200 COMPANIES RECEIVED INVOICES FOR COMPUTER PRINTER RIBBONS WHICH THEY DID NOT KNOWINGLY ORDER AND WHICH HAD AN AGGREGATE FACE VALUE OF OVER \$2.9 MILLION. PAYMENTS WERE MADE BY DEFRAUDED COMPANIES TO GENERAL DATA LIMITED AND THOMAS J. BARDEL TOTALING IN EXCESS OF \$1.465 MILLION.

THOMAS J. BARDEL WAS SENTENCED IN UNITED STATES DISTRICT COURT, TAMPA, FLORIDA, ON OCTOBER 29, 1993. BARDEL RECEIVED A SENTENCE OF 37 MONTHS IMPRISONMENT FOLLOWED BY THREE YEARS PROBATION. ONE OF THE TERMS OF PROBATION WAS A BAR AGAINST INVOLVEMENT IN TELEMARKETING. UNITED STATES DISTRICT JUDGE STEVEN MERRDAY PRESIDED AT THE SENTENCING HEARING. ONE OF THE CONSIDERATIONS IN LEVYING THIS SENTENCE WAS THOMAS J. BARDEL'S OBSTRUCTION OF JUSTICE ACTIVITIES DURING THE INVESTIGATION WHICH CONSISTED OF ATTEMPTING TO INFLUENCE THE TESTIMONY OF WITNESSES AND CONCEALING EVIDENCE.

BRIEF

CASE NO. 600-1003095-FB(1)

SUBJECT: ROBERT BRUCE BURKE

THE POSTAL INSPECTION SERVICE ARRESTED ROBERT BRUCE BURKE ON MAY 7, 1990. A FEDERAL WARRANT WAS ISSUED CHARGING HIM WITH EIGHT ACTS OF OBSTRUCTION OF JUSTICE REGARDING A MAIL FRAUD INVESTIGATION CONDUCTED BY A FEDERAL GRAND JURY FOR THE EASTERN DISTRICT OF PENNSYLVANIA. SINCE 1984, PERSONAL INJURY ATTORNEY ROBERT B. BURKE WAS OPERATING AN EXTENSIVE INSURANCE FRAUD SCHEME BY STAGING AUTOMOBILE ACCIDENTS AND BY SUBMITTING FRAUDULENT MEDICAL CLAIMS THROUGH COOPERATING PHYSICIANS. THE CRIMINAL COMPLAINT CHARGED BURKE WITH ATTEMPTING TO PERSUADE INDIVIDUALS TO PROVIDE FALSE TESTIMONY TO THE FEDERAL GRAND JURY. ONE OF THE COUNTS ALLEGED, CONCERNED DONNA WILLARD. WILLARD WAS MURDERED ON MARCH 6, 1990, PRIOR TO HER SCHEDULED GRAND JURY APPEARANCE RELATING TO THE INSURANCE FRAUD INVESTIGATION. THE CRIMINAL COMPLAINT ALSO ALLEGED THAT BURKE MADE THREATS TO FORMER CLIENTS WHO HAD BEEN SUBPOENAED TO TESTIFY BEFORE THE GRAND JURY INVESTIGATING MAIL FRAUD. BURKE WAS ALSO CHARGED WITH NINE ADDITIONAL COUNTS OF MAIL FRAUD, FOUR ADDITIONAL COUNTS OF OBSTRUCTION OF JUSTICE AND EIGHT COUNTS OF MONEY LAUNDERING. ROBERT B. BURKE APPEARED IN U.S. DISTRICT COURT ON AUGUST 30, 1990 AND ENTERED INTO GUILTY PLEAS TO ALL BUT FIVE COUNTS OF A 106-COUNT FEDERAL INDICTMENT.

DURING THE PERIOD THAT ROBERT B. BURKE OPERATED THIS SCHEME, 53 INSURANCE COMPANIES WERE DEFRAUDED OF APPROXIMATELY \$1 MILLION.

ON AUGUST 26, 1993, U.S. DISTRICT COURT, PHILADELPHIA, PA, FORMER PHILADELPHIA ATTORNEY ROBERT B. BURKE WAS CONVICTED OF RACKETEERING, RICO FORFEITURE, ARSON, MURDER OF A FEDERAL WITNESS, CONSPIRACY TO MURDER FEDERAL WITNESSES AND USE OF INTERSTATE COMMERCE IN THE COMMISSION OF MURDER-FOR-HIRE. BURKE WAS CONVICTED IN AUGUST 1990, ON 97 COUNTS OF MAIL FRAUD, OBSTRUCTION OF JUSTICE, AND CONSPIRACY. HE WAS SENTENCED TO FIVE YEARS FOR THOSE CHARGES. THOMAS BURKE WAS ALSO SENTENCED TO THREE YEARS SUPERVISED PROBATION AFTER RELEASE FROM PRISON AND \$4,400.00 PENALTY ASSESSMENT. HE WAS FINED \$50,000.00, COURT ORDERED RESTITUTION OF \$262,846.00 AND VOLUNTARY RESTITUTION OF \$8,000.00.

VIDEO CLIPS OF NEWS ACCOUNTS OF VOLUME MAIL THEFTS

<u>VIDEO NUMBER</u>	<u>HEADER</u>	<u>LENGTH (MIN'S/SEC'S)</u>
1	12-30-93 HOUSTON, TX TIME LAPSE VIDEO OF VOLUME MAIL THEFT FROM APARTMENT HOUSE LETTER BOXES	14:15
2	02-92 PHOENIX, AZ ELEMENTS OF ORGANIZED SCHEME TO STEAL MAIL AS DESCRIBED BY NEWSCASTER	4:10
3	02-92 PHOENIX, AZ INTERVIEW OF MAIL THEFT VICTIM VICTIM	2:50
4	04-09-93 NATIONAL NEWS TOM BROKAW - AMERICA CLOSE UP VOLUME MAIL THEFTS INVOLVING CREDIT CARD FRAUD	3:25
5	04-02-93 LOS ANGELES, CA DAVID HOROWITZ - "FIGHT BACK" VOLUME MAIL THEFTS FROM POSTAL VEHICLES	3:10
6	10-05-93 LOS ANGELES, CA VOLUME MAIL THEFTS FROM POSTAL VEHICLES AND ROBBERY OF LETTER CARRIERS	1:35
7	04-26-93 DALLAS, TX VOLUME MAIL THEFTS INVOLVING TREASURY CHECKS	1:30
8	03-30-93 FRESNO, CA VOLUME MAIL THEFTS FROM POSTAL VEHICLES	1:30
9	06-28-93 PITTSBURGH, PA CREDIT CARD THEFT	:40
10	09-01-93 PHILADELPHIA, PA VOLUME THEFTS INVOLVING MULTI-AGENCY TASK FORCE	2:15

<u>VIDEO NUMBER</u>	<u>HEADER</u>	<u>LENGTH</u> <u>(MIN'S/SEC'S)</u>
11	06-13-91 SEATTLE, WA VOLUME MAIL THEFTS USING COUNTERFEIT ARROW KEYS	1:45
12	05-13-93 SEATTLE, WA VOLUME MAIL THEFTS OF CREDIT CARDS	3:25
13	02-22-94 SEATTLE, WA VOLUME MAIL THEFTS INVOLVING CHECK WASHING VICTIMS INTERVIEWED	2:30
14	02-23-94 SEATTLE, WA VOLUME MAIL THEFTS INVOLVING CHECK WASHING VICTIMS INTERVIEWED	2:00
15	02-25-94 SEATTLE, WA POSTAL SERVICE MODIFYING COLLECTION BOXES	4:30