

United States District Court

SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

v.

CRIMINAL COMPLAINT

LOUIS GACHELIN

CASE NUMBER: 12-2594-Dubé

I, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

On or about March 8, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, LOUIS GACHELIN, did falsely make or forge an endorsement or signature on a Treasury check of the United States, in violation of Title 18, United States Code, Section 510.

On or about March 12, 2012, in Miami-Dade County, in the Southern District of Florida, the defendant, LOUIS GACHELIN, did knowingly steal, embezzle, purloin, and convert to his own use, money of the United States and a department and agency thereof, the aggregate of which exceeded \$1,000, that is, United States Department of Treasury tax refund checks, in violation of Title 18, United States Code, Section 641.

I further state that I am a Special Agent with the Federal Bureau of Investigation and that this complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT

Michael R Meyer
MICHAEL R. MEYER, SPECIAL AGENT
FEDERAL BUREAU OF INVESTIGATION

Sworn to before me, and subscribed in my presence,

May 1, 2012

at

Miami, Florida
City and State

ROBERT L. DUBÉ
UNITED STATES MAGISTRATE JUDGE
Name and Title of Judicial Officer

[Handwritten Signature]
Signature of Judicial Officer

AFFIDAVIT

I, Michael R. Meyer, being duly sworn, hereby depose and state as follows:

1. I am a special agent with the Federal Bureau of Investigation ("FBI"), Miami Field Division, currently assigned to the public corruption unit. I have been employed as a special agent for approximately six years. I have personally conducted or assisted in criminal investigations and prosecutions of identity theft tax fraud schemes, including violations of Title 18, United States Code, Sections 510 (forgery of U.S. Treasury checks), 641 (theft of government money), 1028 (fraud with identification documents), 1029 (access device fraud), and 1343 (wire fraud). I am familiar with the manner and means with which identity thieves operate these schemes.

2. This affidavit is submitted in support of a criminal complaint charging Louis GACHELIN with a violation of Title 18, United States Code, Sections 510 (forgery of U.S. Treasury checks) and 641 (theft of government money).

3. This affidavit is based on information obtained from an FBI undercover operation. This affidavit sets forth only those facts that I believe are necessary to establish probable cause. As such, I have not included each and every fact known about this investigation.

Overview of FBI Undercover Operation

4. To combat the growing problem of identity theft tax refund fraud schemes in South Florida, from February 2012 to April 2012, the FBI has operated a financial services store (the "store") in North Miami as a front to accept fraudulently obtained tax refund checks from customers looking to cash those checks for a large fee.

5. The store was equipped with both audio and video surveillance. Undercover FBI agents worked behind the counter at the store. Customers would present tax refund checks in the

form of refund anticipation checks issued by financial institutions (“RACs”) and/or U.S. Treasury tax refund checks (“T-Checks”). Customers would also present fraudulent identification documents (photocopied driver’s licenses or social security cards) or handwritten social security numbers in the name of the victims on the checks. Often, customers would forge the signature of the victim on the back of the check while inside the store. Many of the true taxpayers whose names appear on the checks have already filed identity theft affidavits with the Internal Revenue Service (“IRS”).

6. The undercover agent would charge a substantial fee for processing the check—ranging from thirty-five to forty-five percent of the value of the check—consistent with the fraudulent nature of the check.¹ The FBI paid these customers from official FBI funds. None of the tax refund checks were actually cashed.

7. During the three month undercover operation, eight different individuals negotiated with undercover agents at the store to cash approximately \$500,000 in fraudulently obtained tax refund checks. The conversations and transactions between the customers and undercover agents at the store were audio and video recorded by the FBI.

Overview of GACHELIN’s Conduct

8. In March and April 2012, GACHELIN tried to cash 29 fraudulently obtained tax refund checks (totaling approximately \$100,000) for around sixty percent of face value.

Chronology of Events

9. On March 6, 2012, L.F. provided 10 fraudulently obtained tax refund checks totaling approximately \$25,000 to a confidential source (“CS”). L.F. also provided driver’s

¹ Florida law provides that no check cashing store may charge a fee for cashing checks in excess of five percent. Fl. Stat. 560.309(4)

licenses with names corresponding to the names on the checks. The checks were in the following names, types, and amounts:

GACHELIN-- List of March 6 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	RAC	R.R.	\$405.21
2	RAC	W.C.	\$3,293.00
3	RAC	J.M.	\$5,621.04
4	RAC	I.W.	\$7,161.00
5	RAC	S.W.	\$2,360.00
6	RAC	J.O.	\$405.34
7	RAC	R.S.	\$403.26
8	RAC	R.S.	\$3,358.00
9	T-Check	J.P.	\$1,473.00
10	T-Check	J.P.	\$151.01
Total			\$24,630.86

10. On March 8, 2012, L.F. explained to the CS on a recorded call (on March 8, 2012) that the checks came from GACHELIN (L.F. also stated that GACHELIN used to play for the New England Patriots). L.F. gave the CS the contact number for GACHELIN. The CS engaged in a consensually monitored and recorded telephone call with GACHELIN regarding the tax refund checks. GACHELIN agreed to meet the CS at the store.

11. On that same day, at around 2:00 p.m., GACHELIN arrived at the store. GACHELIN and the CS together entered the store. An undercover FBI agent ("UC1") returned checks 1-8 from the list above because the social security numbers on the identification documents did not match the name on the check. UC1 explained that UC1 needed the social security numbers to match so that the store's books would look legitimate if there is ever an audit. GACHELIN acknowledged that he understood this. GACHELIN agreed to return with the right identification for the above checks. UC1 explained that checks 9 and 10 from the above list could be cashed, but UC1 stated that these checks were not signed. GACHELIN then signed both checks 9 and 10 in the presence of UC1 and returned the checks to UC1.

12. On March 12, 2012, GACHELIN arrived at the store. UC1 paid GACHELIN \$975 in prerecorded U.S. currency from FBI funds as payment for checks 9 and 10 from the above list. GACHELIN then provided UC1 with four tax refund checks. GACHELIN also provided handwritten names, dates of birth and social security numbers for each of these checks. GACHELIN asked during the meeting what the percentage split would be for the checks. UC1 explained that GACHELIN would receive sixty percent of face value of the check and the store would keep forty percent. GACHELIN said that would be "perfect." The checks were in the following names, types, and amounts:

GACHELIN-- List of March 12 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	RAC	L.C.	\$6,057.10
2	T-Check	J.L.	\$4,904.00
3	T-Check	J.O.	\$405.34
4	T-Check	R.R.	\$405.21
Total			\$11,771.65

13. On March 14, 2012, GACHELIN returned to the store. UC1 paid GACHELIN \$3,425 in prerecorded U.S. currency from FBI funds as payment for checks 2, 3, and 4 from the above list. UC1 explained that check 1 could not be verified and UC1 returned check 1 to GACHELIN. GACHELIN then provided UC1 with three new tax refund checks along with handwritten dates of birth and social security account numbers for the individuals on the checks. UC1 explained that it would take a couple of days for payment on these checks. GACHELIN then walked out of the store. The checks were in the following names, types, and amounts:

GACHELIN -- List of March 14 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	T-Check	W.L.	\$416.12
2	T-Check	Y.R.	\$1,307.00
3	T-Check	J.M.	\$2,518.84
Total			\$4,241.96

14. Shortly thereafter, UC1 realized that the checks provided by GACHELIN were unsigned. UC1 contacted GACHELIN by phone and asked him to return to sign the checks. GACHELIN returned to the store that day and signed each of the three checks above.

15. On March 20, 2012, GACHELIN returned to the store and met with another undercover FBI agent ("UC2"). UC2 paid GACHELIN \$2,545.18 in pre-recorded U.S. currency from FBI funds as payment for checks 1 through 3 from the list above.

16. On March 28, 2012, GACHELIN returned to the store. GACHELIN provided UC1 with eight new tax refund checks in the following names, types, and amounts:

GACHELIN-- List of March 28 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	T-Check	D.SP.	\$2,397.02
2	T-Check	O.A.	\$9,652.00
3	T-Check	E.P.	\$2,412.53
4	T-Check	A.G.	\$5,738.00
5	T-Check	R.P.	\$9,447.00
6	T-Check	L.W.	\$7,050.00
7	T-Check	J.M.	\$1,451.00
8	RAC	K.L.	\$3,605.00
Total			\$41,752.55

17. GACHELIN also provided names, dates of birth, and social security number for each of the above individuals on envelopes and scraps of paper. Several envelopes associated with the T-Checks had the sender address as the Department of Treasury. These envelopes stated on the front: "Forgery of endorsements is a **Federal crime**. Maximum penalty is a **\$10,000 fine** and **ten years imprisonment**." During the meeting, GACHELIN noticed that some of the checks had not been signed. GACHELIN asked UC1 to return the checks. GACHELIN then signed several of these checks inside the store.

18. On March 30, 2012, GACHELIN returned to the store and UC1 provided GACHELIN with \$5,600 in pre-recorded U.S. currency as payment for checks 4 and 8 from the March 28 list. UC1 returned the remaining checks from the March 28 list to GACHELIN.

19. On April 3, 2012, GACHELIN returned to the store and provided UC1 with two tax refund checks. During the meeting, UC1 asked GACHELIN whether the checks would be good. GACHELIN said "I hope so." Social security numbers and dates of birth were written on the checks. The checks were in the following names, types, and amounts::

GACHELIN -- List of April 3 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	T-Check	J.M.	\$1,451.00
2	T-Check	Y.M.	\$9,995.00
Total			\$11,446.00

20. On April 6, 2012, GACHELIN returned to the store and UC1 provided GACHELIN with \$900.00 in pre-recorded U.S. currency as payment for check 1 from the April 3 list. During this meeting, GACHELIN provided UC1 with two more tax refund checks as set forth in the list below.

GACHELIN -- List of April 6 Checks			
NUMBER	TYPE	NAMES	AMOUNTS
1	T-Check	J.W.	\$10,862.00
2	T-Check	J.A.	\$5,907.00
Total			\$16,769.00

21. On April 13, 2012, GACHELIN returned to the store and UC1 provided GACHELIN with \$6,000.00 in pre-recorded U.S. currency from FBI funds as payment for a previously provided check.

22. On April 27, 2012, FBI agents contacted K.L. whose name appears on a tax refund check on the March 28 check list. K.L. advised that K.L. did not file a tax return for 2011. K.L. advised that K.L.'s daughter claims K.L. as a dependent. K.L. stated that K.L.'s

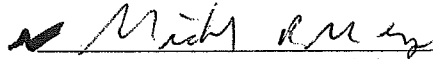
daughter's tax return was rejected because someone had filed a tax return using K.L.'s social security number.

23. Also, on April 27, 2012, FBI agents contacted J.W. whose wife's name appears on a tax refund check from the April 6 check list. J.W. stated that his wife had passed away during 2011. J.W. stated that his tax return had been rejected because someone had filed a tax return in his wife's name. J.W. never authorized anyone to file a tax return in his wife's name.

24. Based on the foregoing facts and circumstances, and Your Affiant's training, knowledge and expertise, there is probable cause to believe that GACHELIN:

- (1) Did falsely make or forge an endorsement or signature on a Treasury check of the United States in violation of Title 18, United States Code, Section 510, on March 8, 2012; and
- (2) Did knowingly steal, embezzle, purloin, and convert to his own use, money of the United States, and a department and agency thereof, the aggregate to which exceeded \$1,000, that is, United States Department of Treasury tax refund checks, in violation of Title 18, United States Code, Section 641, on March 12, 2012.

FURTHER YOUR AFFIANT SAYETH NAUGHT.


Michael R. Meyer, Special Agent
Federal Bureau of Investigation

Sworn to before me this
1st day of May 2012


ROBERT L. DUBE
UNITED STATES MAGISTRATE JUDGE