

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

UNITED STATES OF AMERICA : **CRIMINAL NO. 10-**
v. : **DATE FILED: July 29, 2010**
RICHARD LAZAR : **VIOLATIONS:**
DAVID FELDMAN : **18 U.S.C. § 371 (conspiracy - 1 count)**
: **18 U.S.C. § 1341 (mail fraud - 1 count)**
: **18 U.S.C. § 2 (aiding and abetting)**
: **Notice of forfeiture**

INDICTMENT

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this indictment:

1. From in or about January 2006 to on or about July 17, 2009, in the Eastern District of Pennsylvania, and elsewhere, defendants

**RICHARD LAZAR and
DAVID FELDMAN**

conspired and agreed to knowingly devise a scheme to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and to use the United States mails and commercial interstate carriers to further the scheme to defraud, in violation of Title 18, United States Code, Section 1341.

MANNER AND MEANS

It was part of the conspiracy that:

2. Defendants RICHARD LAZAR and DAVID FELDMAN operated businesses in Pennsylvania and Nevada that purported to place advertisements for customers in publications aimed at individuals in the fields of law enforcement and public safety.

3. Defendants RICHARD LAZAR and DAVID FELDMAN obtained names and contact information for small businesses throughout the United States to use in their fraudulent scheme.

4. Defendants RICHARD LAZAR and DAVID FELDMAN solicited money from these small businesses in exchange for placing advertisements in the publications knowing that the publications did not exist or were not circulated.

5. Defendants RICHARD LAZAR and DAVID FELDMAN used the United States Mails and commercial interstate carriers to facilitate their fraud and established a Federal Express account to send invoices and collect payment from the victim businesses.

6. Defendants RICHARD LAZAR and DAVID FELDMAN falsely told victim businesses that they had previously agreed to pay for an advertisement in the magazine, and that the magazine had already been printed.

7. After the businesses agreed to pay for the advertisements based on the false representations made by defendants RICHARD LAZAR and DAVID FELDMAN, defendants LAZAR and FELDMAN instructed the businesses that they would receive an invoice in the mail, and that payment was due immediately upon delivery of the invoice.

8. Defendant RICHARD LAZAR then sent an invoice to the victim business by Federal Express with instructions that payment was due upon receipt.

9. Defendants RICHARD LAZAR and DAVID FELDMAN induced more than 950 businesses to pay for advertising by sending checks or money orders by Federal Express to defendant LAZAR'S residence in Churchville, Pennsylvania or a mail drop in Willow Grove, Pennsylvania.

10. Defendant RICHARD LAZAR cashed the victim businesses' checks and money orders at two check cashing services in Philadelphia. Defendant LAZAR forwarded a percentage of the proceeds of the scheme to defendant DAVID FELDMAN, and kept the remainder for his own use. Defendants LAZAR and FELDMAN received approximately more than \$1.3 million from the scheme.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendants RICHARD LAZAR and DAVID FELDMAN committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

1. Defendant RICHARD LAZAR registered the following companies with the Pennsylvania Bureau of Corporations, claiming they were public safety related magazines: (a) *Ameri Publishing*; (b) *Crime Prevention News Police Beat*; (c) *Police Beat*; and (d) *Fire Extinguisher Magazine*.

2. Defendant DAVID FELDMAN established DK Publishing, which purported to be a public safety-related publishing company in Nevada.

3. Defendant RICHARD LAZAR established an account with Federal Express, a commercial interstate carrier, to send and receive documents, checks, and money orders in furtherance of this fraudulent scheme.

4. Defendants RICHARD LAZAR and DAVID FELDMAN solicited small businesses from across the United States, but not in Pennsylvania, to purchase advertising in their public safety magazines, even though the defendants knew that their magazines either would not be published or widely circulated. Each solicitation is alleged as a separate overt act.

5. On or about the following dates, defendants RICHARD LAZAR and DAVID FELDMAN made fraudulent sales of advertisements to the following companies and claimed that the advertisement would be placed in the publication listed below, each sale is alleged as a separate overt act:

<u>Date of Sale</u>	<u>Victim</u>	<u>Publication</u>
May 2, 2008	Wiseway Self Storage	Police Times
October 1, 2008	ReMax	Crime Prevention News, Fire Extinguisher, Fire Journal, and Police Journal
December 8, 2008	Louie's Watch Repair	Crime Times, Criminal Justice Bulletin, Police Magazine, Police Times, and Fire Journal
April 22, 2009	Butler and Cook	Crime Times, Police Beat, Police Times, and Police Journal
May 6, 2009	J & C Campers	Fire Journal
May 14, 2009	Millers Creek Pharmacy	Police Journal, Fire Journal, and Volunteer Fireman

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs Two through Ten and Overt Acts One through Five of Count One are incorporated here.

2. From in or about January 2006 through on or about July 17, 2009, defendants

**RICHARD LAZAR and
DAVID FELDMAN**

devised and intended to devise a scheme to defraud, and to obtain property by means of false and fraudulent pretenses, representations and promises.

3. On or about April 7, 2009, in the Eastern District of Pennsylvania, and elsewhere, defendants

**RICHARD LAZAR and
DAVID FELDMAN,**

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, knowingly caused to be delivered by commercial interstate carrier from the Eastern District of Pennsylvania, according to the directions thereon, an invoice, which falsely represented that a victim business had purchased an advertisement in a public safety magazine, when, in fact, as defendants LAZAR and FELDMAN knew, no such advertisement had been placed in a public safety magazine.

In violation of Title 18, United States Code, Sections 1341, and 2.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 371 and 1341, set forth in this indictment, defendants

**RICHARD LAZAR and
DAVID FELDMAN**

shall forfeit to the United States of America any property that constitutes, or is derived from, proceeds obtained directly or indirectly from the commission of such offense, including but not limited to the sum of approximately \$1.3 million.

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

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

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property

of the defendants up to the value of the property subject to forfeiture.

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

A TRUE BILL:

GRAND JURY FOREPERSON

ZANE DAVID MEMEGER
United States Attorney