

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	NO. 1:19-cr-192.
	:	
v.	:	(J. Rambo )
	:	
ANTHONY W. REDD,	:	
	:	
Defendant.	:	(Electronically Filed)

INDICTMENT

FILED  
HARRISBURG, PA

The Grand Jury charges:

JUN 12 2019

Per     DAA      
Deputy Clerk

COUNT ONE

(Conspiracy to Commit Mail Fraud & Money Laundering)

A. Introduction

1. At times pertinent to this Indictment, Western Union Financial Services, Inc. (Western Union) and MoneyGram International (MoneyGram) were global money transfer companies, commonly referred to as Money Service Businesses (MSBs), with more than 750,000 agent/outlets around the World.

2. Mass marketing fraudsters in Costa Rica have exploited the Western Union and MoneyGram money transfer systems to defraud consumers in the United States. Between 2007 and 2014 domestic victims reported that more than 5,325 money transfers paid out in

Costa Rica by Western Union and MoneyGram totaling in excess of \$6.7 million were consumer fraud induced.

3. The types of advance fee schemes employed by the Costa Rican based fraudsters are diverse and varied, and include bogus sweepstakes, grant, loan and internet purchase schemes. The schemes typically entail a common modus operandi. The perpetrators contact their victims via the U.S. Mail, telephone, or the internet promising cash prizes, lottery winnings, merchandise, loans, or other payments. The fraudsters induce the victims to send money via Western Union or MoneyGram in order to receive the promised payment, merchandise or prize. The victims then provide their Western Union or MoneyGram money transfer information to the fraudsters, who collect the transfer at a Western Union or MoneyGram agent location.

4. To help perpetrate their frauds, the Costa Rican fraudsters employ coconspirators in the United States known as "Money Mules" to receive the fraud induced money transfers, checks, money orders and cash sent by the victims, and then forward the proceeds to the fraudsters in Costa Rica. A "Money Mule" thus helps the fraudsters conceal their ownership and control of the fraud proceeds. A "Money

Mule” is typically compensated for his/her services by retention of an agreed upon percentage of the fraud proceeds.

5. At times pertinent to this Indictment, the defendant, Anthony Redd, was a “Money Mule” operating out of the greater Allentown, Pennsylvania, area and New York, New York.

**B. The Conspiracy**

6. Between February 2014 and November 2017, in the Middle District of Pennsylvania and elsewhere, the defendant,

**ANTHONY W. REDD,**

and other unindicted coconspirators, known and unknown to the Grand Jury, did knowingly and intentionally conspire and agree to commit the crimes of Mail Fraud, Title 18 United States Code, Section 1341, and Laundering of Monetary Instruments, Title 18, United States Code Section 1956, in violation of Title 18 United States Code Section 371, as set forth in this Indictment.

**C. Manner and Means of the Conspiracy**

7. The coconspirators employed the following Manner and Means to perpetrate their crimes:

8. Between February 2014 and November 2017, the defendant, Anthony W. Redd, and other unindicted co-conspirators received consumer fraud induced Western Union and MoneyGram money transfers from a victim in Mechanicsburg, Pennsylvania, and other victims across the United States.

9. Between February 2014 and November 2017, the defendant, Anthony W. Redd, and other unindicted co-conspirators received consumer fraud induced money orders in packages sent via the U.S. Mail from Mechanicsburg, Pennsylvania.

10. Between February 2014 and November 2017, Anthony W. Redd utilized United States Post Offices in both New York, New York, and the greater Allentown, Pennsylvania area to convert fraud induced money orders into cash.

11. After Anthony W. Redd retained a portion of the fraud proceeds, he would “flip” the proceeds to other unindicted co-conspirators via Western Union (“WU”) or MoneyGram (“MG”) money transfers.

12. Sometimes Redd would split the fraud proceeds into multiple money transfers payable to one or more of the co-conspirators in Costa Rica.

13. Sometimes the defendant, Anthony W. Redd, recruited other “Money Mules” in the Allentown, Pennsylvania, area to send consumer fraud proceeds to Costa Rica.

**D. Overt Acts in Furtherance of the Conspiracy**

14. The following overt acts (“flip” transfers) were committed by Anthony W. Redd and his unindicted conspirators in furtherance of the conspiracy:

<b>Date Sent</b>	<b>MSB</b>	<b>Amount</b>	<b>Sender</b>	<b>Payee</b>
04/09/2014	MG	\$1,000	ANTHONY REDD	K.B.B.
04/10/2014	WU	\$1,000	ANTHONY REDD	V.H.S.
04/11/2014	WU	\$1,050	ANTHONY REDD	K.M.D.
05/07/2014	WU	\$1,000	ANTHONY REDD	V.H.S.
05/08/2014	WU	\$1,000	ANTHONY REDD	K.M.D.
05/14/2014	MG	\$1,000	ANTHONY REDD	V.H.S.
05/16/2014	WU	\$1,000	ANTHONY REDD	V.H.S.
05/16/2014	MG	\$1,400	ANTHONY REDD	K.B.B.
06/11/2014	WU	\$1,000	ANTHONY REDD	V.H.S.
06/16/2014	WU	\$1,600	ANTHONY REDD	V.H.S.
06/18/2014	MG	\$1,000	ANTHONY REDD	V.H.S.
06/24/2014	WU	\$1,600	ANTHONY REDD	D.T.
06/25/2014	WU	\$1,600	ANTHONY REDD	D.T.
07/28/2014	WU	\$1,000	ANTHONY REDD	V.H.S.
01/26/2015	MG	\$700	ANTHONY REDD	A.G.B.
11/04/2016	MG	\$1,500	ANTHONY REDD	Y.S.
11/07/2016	MG	\$1,500	ANTHONY REDD	L.B.
11/10/2016	MG	\$1,500	ANTHONY REDD	Y.S.

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

The Grand Jury further charges:

**COUNTS TWO – SIX**  
(Mail Fraud)

15. Paragraphs 1-5 and 7-14 are are incorporated by reference as though fully set forth herein.

16. On or about the dates set forth below, in the Middle District of Pennsylvania and elsewhere, the defendant,

**ANTHONY W. REDD,**

and other unindicted coconspirators, known and unknown to the Grand Jury, did knowingly and intentionally devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme or artifice, did cause any matter or thing whatever to be deposited in the U.S. Mail and delivered according to the direction thereon, as described below:

Count	On or About	Mailed From	Mailed To	Mailed Matter
2	06/13/14	Mechanicsburg, Pennsylvania	Anthony REDD 2530 Mountain Lane Apt. N5 Allentown, PA 18103	\$2,000 in USPS Money Orders
3	07/08/14	Mechanicsburg, Pennsylvania	Anthony REDD 2530 Mountain Lane Apt. N5 Allentown, PA 18103	\$2,500 in USPS Money Orders

Count	On or About	Mailed From	Mailed To	Mailed Matter
4	07/25/14	Mechanicsburg, Pennsylvania	Anthony REDD 2530 Mountain Lane Apt. N5 Allentown, PA 18103	\$2,500 in USPS Money Orders
5	08/06/2014	Mechanicsburg, Pennsylvania	Anthony REDD 2530 Mountain Lane Apt. N5 Allentown, PA 18103	\$1,000 USPS Money Order
6	09/04/2014	Mechanicsburg, Pennsylvania	Anthony REDD 2530 Mountain Lane Apt. N5 Allentown, PA 18103	\$3,500 in USPS Money Order

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

The Grand Jury Further Charges:

**COUNTS SEVEN – TEN**  
(Laundering of Monetary Instruments)

17. Paragraphs 1 – 5 and 7-14 are incorporated by reference as though fully set forth herein.

18. On or about the dates set forth below, in the Middle District of Pennsylvania and elsewhere, the defendant,

**ANTHONY W. REDD,**

knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, did conduct financial transactions which, in fact, involved the proceeds of specified

unlawful activity, knowing that the transactions were designed in whole or in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, that being that the defendant caused consumer fraud induced USPS money orders sent from a victim in the Middle District of Pennsylvania to be negotiated in the greater Allentown, Pennsylvania, and New York, New York, areas with funds constituting the proceeds of the crime of Mail Fraud in violation of Title 18, United States Code, Section 1341, as described below:

<b>Count</b>	<b>On or About</b>	<b>Financial Transaction</b>
7	07/10/14	Conversion of \$2,500 of USPS Money Order to Cash at USPS (NY)
8	07/28/14	Conversion of \$2,500 of USPS Money Order to Cash at USPS (NY)
9	09/05/2014	Conversion of \$1,500 of USPS Money Order to Cash at USPS (PA)
10	09/05/2014	Conversion of \$2,000 of USPS Money Order to Cash at USPS (NY)

**All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.**



The Grand Jury further charges:

**COUNTS ELEVEN - TWELVE**

(International Laundering of Monetary Instruments)

19. Paragraphs 1-5 and 7-14 are incorporated by reference as though fully set forth herein.

20. On or about the dates set forth below, in the Middle District of Pennsylvania and elsewhere, the defendant,

**ANTHONY W. REDD,**

did transmit and transfer a monetary instrument or funds from a place in the United States to or through a place outside the United States knowing that the monetary instrument or funds involved in the transmission and transfer represented the proceeds of some form of unlawful activity and knowing that such transmission and transfer was designed in whole or in part to conceal and disguise the nature, the location, the source, the ownership, and control of the proceeds of specified unlawful activity; to wit, in that the defendant caused funds sent by a consumer fraud victim in Pennsylvania to be transferred via the U.S. Mail and both the Western Union (WU) and MoneyGram (MG) money transfer systems to Costa Rica, said monies constituting the

proceeds of the crime of Mail Fraud in violation of Title 18, United States Code, Section 1341, as described below:

Count	On or About	International Transfer
11	07/28/2014	Transfer of \$1,000.00 from ANTHONY REDD to one V.H.S, in Costa Rica. (WU)
12	09/05/2014	Transfer of \$850.00 from ANTHONY REDD to one K.B.B, in Costa Rica. (MG)

All in violation of Title 18, United States Code Sections 1956(a)(2)(B)(i) and 2.

#### NOTICE OF FORFEITURE

Pursuant to Title 18, United States Code, Section 982(a)(1), the United States gives notice to the defendant, **ANTHONY W. REDD**, that upon conviction for any of the Counts charged in this Indictment, all property, real and personal, involved in the violations, and all property traceable to such property, shall be forfeited to the United States, that being approximately \$280,000 in United States currency or a money judgment equal to that amount.

In the event that any property subject to forfeiture, as a result of any act or omission of the defendant:

- 1) cannot be located upon exercise of due diligence;
- 2) has been placed beyond jurisdiction of the Court;
- 3) has been transferred or sold to, or deposited with a third party;
- 4) has been substantially diminished in value; or
- 5) has been comingled with other property which cannot be divided without difficulty;

it is the intention of the United States to seek forfeiture of any other property of the defendant's up to the value of such property, pursuant to Title 18, United States Code, Section 982(b)(1), and Title 21, United States Code, Section 853(p).

A TRUE BILL



Foreperson, Grand Jury

<sup>12</sup>  
6/12/19

Date

DAVID J. FREED  
United States Attorney



JAMES T. CLANCY  
Assistant United States Attorney