

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

CR 20-285 PAM/BRT

UNITED STATES OF AMERICA,

Plaintiff,

INDICTMENT

v.

18 U.S.C. § 1343

18 U.S.C. § 2326

CAROL ANN OLBERG,

Defendant.

THE UNITED STATES GRAND JURY CHARGES:

COUNTS 1-3
(Wire Fraud)

1. At times relevant to this Indictment:

a. Defendant CAROL ANN OLBERG owned and operated Sun Coast Readers LLC, a California-based company involved in fraudulent magazine sales. OLBERG ran Sun Coast Readers from her home in Winchester, California.

2. From at least in or about 2012 through in or about 2020, in the State and District of Minnesota, and elsewhere, the defendant,

CAROL ANN OLBERG,

and others known and unknown to the grand jury, and in connection with the conduct of telemarketing that victimized ten or more persons over the age of 55, did knowingly devise and participate in a scheme and artifice to defraud and to obtain money by means of materially false and fraudulent pretenses, representations, and promises, and by concealment of material facts.



3. More specifically, defendant OLBERG carried out a telemarketing fraud scheme involving fraudulent magazine subscription sales.

4. It was part of the scheme that defendant OLBERG owned and operated Sun Coast Readers LLC, a company involved in fraudulent magazine sales. OLBERG used fraudulent sales scripts to defraud victim-consumers, many of whom were elderly or otherwise vulnerable, out of hundreds or even thousands of dollars. The fraudulent sales scripts were designed to induce consumers, through a series of lies and misrepresentations, into making large or repeat payments to her company.

5. It was further part of the scheme that defendant OLBERG obtained lists of consumers who had active and ongoing magazine subscriptions through other companies. These lists were referred to as “paid-during-service” or “PDS” leads. Some of the PDS lead lists identified the magazines to which the individuals were currently subscribed and the credit card number or other payment information used to pay for the subscription. OLBERG used the information on the PDS lead lists to fraudulently pose as the victim-consumers’ existing magazine provider, calling about an existing subscription, rather than attempting to sign consumers up for an entirely new magazine subscription.

6. It was further part of the scheme that defendant OLBERG called the names on the PDS lead lists using a fraudulent sales pitch. In her pitch, OLBERG claimed—falsely—that she was calling from the victim-consumers’ existing magazine subscription company and about an existing magazine subscription. OLBERG claimed—again falsely—to be calling with an offer to renew the victim-consumer’s existing magazine subscription, often at a reduced cost. In reality, OLBERG and her

company had no existing relationship with most of the victim-consumers and OLBERG was not calling about an existing magazine subscription. Instead she was calling to defraud them by tricking them into unwittingly signing up for entirely new magazine subscriptions.

7. OLBERG knew that many of the consumers on these lists were elderly or otherwise susceptible to fraudulent and deceptive sales tactics. Nevertheless, OLBERG called people on these lists and tricked them into signing up for expensive magazine subscription packages.

8. It was further part of the scheme that defendant OLBERG also defrauded victim-consumers who had been previously defrauded by multiple magazine companies. These victim-consumers had been “sold” magazine subscriptions they did not want and did not knowingly sign up for. The victim-consumers were being billed by multiple other magazine sales companies—as many as a dozen magazine companies at a time. Many of these victim-consumers were elderly and otherwise vulnerable. They were desperate to cancel their magazines.

9. As part of her scheme, when victim-consumers said they did not want the magazines they were already receiving, defendant OLBERG used a fraudulent “cancellation” pitch in which she fraudulently claimed that the victim-consumers owed a large outstanding balance for existing magazine subscriptions with their company. OLBERG then fraudulently offered to pay off that balance in exchange for a large lump-sum payment.

10. During the course of the scheme, defendant OLBERG defrauded more than 3,000 victims across the United States. Between 2013 and 2020, she received approximately \$1.4 million from victims of her scheme.

11. On or about the dates listed below, in the State and District of Minnesota and elsewhere, the defendant,

CAROL ANN OLBERG,

as set forth below, for the purpose of executing the scheme described above, knowingly caused to be transmitted by means of a wire communication in interstate commerce, certain writings, signs, signals, and sounds, including the following:

Count	Date (on or about)	Wire Details
1	March 27, 2017	A wire transaction processing a \$14.95 charge from Sun Coast Readers LLC in California to a bank account held by Victim Sharon G. in Minnesota
2	October 21, 2020	A phone call from defendant OLBERG in California to an undercover Postal Inspector posing as "Jason Baxter" in Minnesota
3	October 21, 2020	A phone call from defendant OLBERG in California to an undercover Postal Inspection Service employee posing as "Lane Michaelson" in Minnesota

All in violation of Title 18, United States Code, Sections 1343 and 2326.

FORFEITURE ALLEGATIONS

12. If convicted of any of Counts 1 through 3 of this Indictment, the defendant shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to Counts 1 through 3 of the Indictment.

13. If convicted of any of Counts 1 through 3 of this Indictment, the defendant shall also forfeit to the United States, pursuant to Title 18, United States Code, Sections 982(a)(8) and 2328(a), any real or personal property constituting, derived from, or traceable to the gross proceeds that the defendant obtained directly or indirectly as a result of the offense, and any property, real or personal, including any equipment, software, or other technology, used or intended to be used to commit, facilitate, or promote the commission of the wire fraud scheme alleged in Counts 1 through 3 of the Indictment.

14. If any of the above-described property is unavailable for forfeiture, the United States intends to seek the forfeiture of substitute property as provided for in Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Sections 982(b) and 2328(b).

A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON