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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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U.S. DISTRICT COURT
EASTERN DISTRICT
OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

v.

ALEXANDER QUAGLIA,
RYCHARD MCKEOWN,
BRENT NISHIGUCHI,
NAVIGATOR MARKETING LTD., and
ROCKPORT PROMOTIONAL
MARKETING LLC,

Defendants.

COMPLAINT

Civil Action No.

CV 18-1102

MATSUMOTO, J.

GOLD, M.J.

Plaintiff, the UNITED STATES OF AMERICA, by and through the undersigned attorneys,
hereby alleges as follows:

INTRODUCTION

1. The United States brings this action for a temporary restraining order, preliminary and permanent injunctions, and other equitable relief pursuant to 18 U.S.C. § 1345, in order to enjoin the ongoing commission of criminal mail fraud in violation of 18 U.S.C. §§ 1341 and 1349. The United States seeks to prevent continuing and substantial injury to the victims of fraud.

2. Since at least 2011, and continuing to the present, defendants Alexander Quaglia (“Quaglia”), Rychard Mckeown (“Mckeown”), Brent Nishiguchi (“Nishiguchi”), Navigator Marketing Ltd. (“Navigator”) and Rockport Promotional Marketing LLC (“Rockport”) (collectively “Defendants”), using the U.S. mail, have engaged in a predatory mail fraud scheme that targets victims throughout the United States and abroad.

3. Since at least 2011, Defendants have sent millions of written solicitations through the U.S. mail to recipients throughout the United States and abroad. These solicitations are styled as individualized notices that the recipient has won large sums of money or other valuable prizes. The solicitations purport to come from a person or institution tasked with facilitating the delivery of these proceeds or prizes to the solicitation's recipient. The solicitations ask recipients to return a response card with a processing or delivery fee in an envelope pre-addressed to a U.S. or foreign mailbox. The solicitations claim that the fee will assure prompt processing and receipt of the promised funds and prizes.

4. In reality, these solicitations are not personalized letters, but nearly identical form letters that Defendants send to thousands of potential victims throughout the United States and around the world. None of the entities from whom the letters are purportedly sent exist. They are fictitious names utilized by Defendants to perpetrate the fraud and to conceal their identity.

5. Victims who pay the processing or delivery fee never receive the promised money or prizes. Instead, the victims are bombarded with dozens of additional, similar fraudulent solicitations.

6. Many thousands of victims, especially the elderly and vulnerable, suffer financial losses from the mail fraud scheme Defendants perpetrate. Since 2011 alone, the Defendants have swindled victims out of millions of dollars.

7. Although Defendants are not currently targeting U.S. victims, Defendants have previously targeted U.S. victims, and could resume targeting U.S. victims at any time if not enjoined by the Court. Further, Defendants currently use the U.S. mail to perpetrate this fraud scheme against foreign victims. Defendants receive victim payments at U.S.-based mailboxes, in order to give victims the impression that the solicitations come from U.S.-based companies.

8. For the reasons stated herein, the United States requests injunctive relief pursuant to 18 U.S.C. § 1345 to enjoin Defendants' ongoing scheme to defraud using the U.S. mail in violation of 18 U.S.C. §§ 1341 and 1349.

JURISDICTION AND VENUE

9. The Court has subject matter jurisdiction over this action pursuant to 18 U.S.C. § 1345 and 28 U.S.C. §§ 1331 and 1345.

10. Venue lies in this district pursuant to 28 U.S.C. § 1391(b)(2).

PARTIES

11. Plaintiff is the United States of America.

12. Defendant Alexander Quaglia is a resident of Canada.

13. Defendant Rychard Mckeown is a resident of Canada.

14. Defendant Brent Nishiguchi is a resident of Canada.

15. Defendant Navigator Marketing Ltd. is British Columbia, Canada registered company. Quaglia is the CEO and sole shareholder. Mckeown is the Executive Vice President at Navigator.

16. Defendant Rockport Promotional Marketing LLC is a Delaware limited liability company owned by Nishiguchi.

17. Quaglia, Mckeown, and Nishiguchi control and operate Navigator and Rockport and utilize these corporate defendants to perpetrate the mail fraud scheme alleged herein.

18. In connection with the matters alleged herein, Defendants have caused fraudulent solicitations and the responses to those solicitations to be delivered through the U.S. mail to/from victims throughout the world. Defendants have also caused fraudulent solicitations and the

responses to those solicitations to enter the U.S. mail at the United States Postal Service International Service Center located at John F. Kennedy International Airport (the “New York ISC”) in the Eastern District of New York.

DEFENDANTS’ ONGOING FRAUDULENT SCHEME

19. Beginning as early as 2011 and continuing to the present, Defendants, using the U.S. mail, have engaged in a mail fraud scheme that has defrauded thousands of victims throughout the United States and the world of millions of dollars.

20. In furtherance of the fraud scheme, Defendants send solicitation letters through foreign and U.S. mail to recipients throughout the United States and in other countries around the world, including Japan, Germany, France, the United Kingdom, Australia, the Netherlands and Italy. The fraudulent solicitations typically seek payments or “processing fees” for bogus lotteries, sweepstakes and other large cash prizes that are never awarded to the victim. These solicitations target the elderly and vulnerable. The solicitations and victim responses generally enter the U.S. Mail from abroad through the New York ISC in the Eastern District of New York.

21. Historically, Defendants have sent millions of solicitations to potential victims throughout the United States. Currently, Defendants have focused their ongoing scheme on foreign victims in response to various U.S. law enforcement actions targeting mass mail fraud. However, Defendants continue to utilize the U.S. mail to execute the scheme against foreign victims.

22. Defendants send solicitation letters that are written to appear as if they are being sent by different organizations and individuals with vague, yet official sounding names and titles, such as “Corporate Billing Services.” All of these “organizations” and individuals are fictitious. None of the solicitations identify Defendants as the sender.

23. Each solicitation contains multiple misrepresentations designed to induce elderly and vulnerable victims to send payments to Defendants. Defendants' solicitations typically falsely inform recipients that they have won a sweepstakes or lottery or are otherwise entitled to receive large sums of money. *See, e.g.*, Ex. A-C (representative solicitations).¹ The solicitations purport to come from a person or institution tasked with facilitating the delivery of these proceeds or prizes to the solicitation's recipient. The solicitations urge the recipient to pay a required "processing" or "delivery" fee, generally \$20 to \$50, to assure processing and delivery of the promised money.

24. Each solicitation contains a response card and a pre-addressed return envelope. The recipient is instructed to fill out the response card and send it to the fictitious entity along with his or her payment. The response card frequently asks victims to affirm that they accept their winnings and to confirm their identity and address. The cards instruct victims to make a payment to the fictitious entity via cash, check, money order or credit card.

25. In reality, while Defendants collect the payments in response to these solicitations, victims who send in responses and payments never receive the valuable prizes promised in the solicitations.

26. Defendants include inconspicuous fine print often on the bottom or back of their solicitations that purports to set out terms and conditions. These hidden "disclaimers" are printed in light colors, tiny font, and block text, making them barely legible. In many cases, these difficult-to-read "disclaimers" directly contradict the claims in the main body of the solicitation. For example, solicitations claim that the recipient has already been confirmed the winner of money in bold, prominent lettering, but then explain in inconspicuous text that the solicitation is not a

¹ All exhibits cited herein are attached hereto. The names of the recipients of solicitations have been redacted to protect their privacy.

sweepstakes or award notification and does not guarantee winnings. Victims who sent payments in response to these solicitations did not receive the promised checks or prizes. Recipients are highly unlikely to see, let alone read and understand the print in the disclaimers. These hidden disclaimers do nothing to counteract the overall impression conveyed by the solicitations that the recipient will receive thousands of dollars if the recipient pays the processing fee.

27. The solicitations are styled to give the impression that they are personalized to the recipient, but in fact, they are identical mass mailings. The solicitations typically contain an identification number inserted into the form letter and ask the recipient to confirm that he or she is in fact the person identified as the winner of the promised money.

28. Despite misrepresentations that the solicitations are unique and personalized, thousands of nearly identical copies of each solicitation are sent to potential victims every month.

29. Quaglia and Mckeown review and approve the content of these fraudulent solicitations before they are mailed. They also coordinate with third parties to carry out the printing and mailing of these fraudulent solicitations.

30. All of Defendants' direct mail solicitations contain pre-addressed return envelopes to facilitate the return of victim payments. These return envelopes are addressed either to (i) various foreign mailboxes that are rented on Defendants' behalf by what is known in the direct mail industry as a "caging" service or (ii) U.S. Postal Service mail boxes or private mail boxes held by Commercial Mail Receiving Agencies in the United States or Canada.

31. For mail pre-addressed to a "caging" service, the caging service acts as a hub through which responses to Defendants' and other mass-mailers' fraudulent solicitations are sorted, processed and recorded. When the caging service receives victims' responses, it opens the mail, records information regarding the victim's identity, payment method, and amount of payment in a

database, and facilitates the transmission of cash, checks and credit card information to Defendants.

32. Defendants rent mailboxes in their own names and the names of third parties at Post Offices and Commercial Mail Receiving Agencies (“CMRAs”) throughout the United States in order to receive victim payments. The CMRAs are instructed to forward the mail to a CMRA box in Vancouver, Canada held by Defendants or Buffalo, New York, where a courier picks up the mail and transports it across the border into Canada. This method of receiving payments has been verified by the USPIS through United Parcel Services and Federal Express records.

33. More specifically, Nishiguschi and Quaglia rent these mailboxes throughout the United States to receive victim responses in the name of various companies including Rockport. For example, a Youngstown, Ohio mailbox used by Defendants to receive victim mail was opened by Nishiguchi through Rockport using a credit card bearing Quaglia’s name.

34. The names of the companies under which these mailboxes were opened are never printed on any of the fraudulent solicitations. Rather, in order to conceal Defendants’ identities and the source of the solicitations, all of the solicitations bear the name of still other fictional entities and individuals.

35. Defendants utilize U.S.-based mailboxes to receive victim payments in order to give the impression to recipients that the fictional entities listed on the solicitations are located in the United States, and to conceal their own identities and locations.

36. Once the victim payment mail crosses the border to Canada, it is routed to Vancouver where police surveillance has observed Quaglia, Mckeown, and Nishiguschi picking up the mail from numerous CMRAs on an almost daily basis to capture the payments from victims and taking the proceeds to currency exchanges.

37. The mass mailing process, as described above, is entirely overseen by Quaglia (the CEO of Navigator) and Mckeown (the Executive Vice President at Navigator) from start to finish as well as other Navigator employees using Navigator email addresses (@navigatormarketingltd.com). Quaglia and Mckeown review and approve solicitations from individuals paid to create those solicitations. Quaglia and Mckeown also personally, and through other Navigator employees, coordinate with other third parties to oversee and carry out the printing and mailing of the fraudulent solicitations, including working with printers/distributors, caging services, and CMRAs receiving victim responses to the solicitations. Nishiguchi, through his company, Rockport, opens the mailboxes used to receive victim payments.

38. In terms of scope and volume, an email from Quaglia in March 2017 indicates that Navigator mails to “just about every country in the world” and it “usually mail[s] 500,000 to 1 million times per month worldwide.”

39. Defendants mail the fraudulent solicitations to potential victims in multiple countries—in addition to the United States—including Japan, Germany, France, the United Kingdom, Australia, the Netherlands and Italy. Following enforcement actions by U.S. authorities against mass mail fraud perpetrators in 2016, Defendants continued sending the same fraudulent solicitations to victims, but changed the focus to foreign victims.

40. Defendants are currently utilizing U.S. mailboxes and the U.S. mail to receive payments from foreign victims and route those payments to Vancouver, Canada where the victim response payments are personally retrieved from CMRAs by Quaglia, Mckeown, and Nishiguchi.

41. Defendants identify the recipients who will receive their solicitations by renting lists of “leads,” containing the names and addresses of potential victims who are likely to respond to their solicitations. Defendants rent these lead lists from third-parties through the use of a “list

broker.” Defendants also compile, and rent out to other mailers, lists of victims who have responded to Defendants’ solicitations. As a result, victims who make payments in response to Defendants’ mail fraud scheme also receive solicitations from, and are victimized by, many other similar sweepstakes and lottery related mail fraud schemes.

SPECIFIC MISREPRESENTATIONS

42. The specific fraudulent solicitations described below are representative examples of the different fraudulent solicitations sent by Defendants since 2011.

The “Corporate Billings Services” Solicitation

43. One solicitation sent by Defendants purports to have been sent by “Corporate Billing Services” and creates the false impression that its recipient has won \$798,000 and need only mail in a fee of \$20.00 to receive delivery of the prize. *See* Exhibit A.

44. The notice states in bold, large print at the top “**AMOUNT REPORTED: \$798,000.00**” and proceeds to inform the victim that he/she is entitled to a “**GUARANTEED**” cash award. The notice bears what appears to be a hand written signature from a “John Masterson” in “Accounts Receivable,” but this “signature” is in fact preprinted and appear in identical fashion on identical solicitations sent to thousands of other potential victims. Specific misrepresentations contained in this solicitation include the following:

- “We have received your signed Authorization for release of the Cash and Awards entry procedure directives totaling \$798,000.00, for which you are **GUARANTEED** eligible to receive”
- “Since we are certain that you would want to receive the \$798,000.00 in Cash and Prizes, we have dispatched this opportunity to rectify the situation and activate delivery of the Entry Procedures for the entire **\$798,000.00.**”

- “But Hurry! Portions of the Entry Procedures Report is Time-Sensitive. Do not miss out on Sponsor require entry dates.”
- “[Victim Name], don’t miss this LAST CHANCE to receive your Sponsor GUARANTEED Win-Opportunity for the \$798,000.00 in Cash and Awards! We must receive your payment by 10.07.2016.”
- “Simply tear-off the form left and return it to our offices along with the \$20 made payable to the ‘CBS’ in the envelope provided today.”
- “P.S. Remember, the entire \$798,000.00 in Cash and Awards is FULLY GUARANTEED for payment by third-party sponsoring agencies to determined winners. So don’t wait! Return your activation payment today!”

45. Recipients of this solicitation who returned the \$20 fee did not receive a payment of \$798,000.00, or any other prize.

46. On the back of the solicitation, in small font is a statement that reads in part:

- “Corporate Billing Services PPR is a marketing, research and reporting service. We specialize in researching sweepstakes sponsored and conducted by corporate organization with which the CBS is completely unaffiliated. Please allow 6-8 weeks for processing and shipping. These sweepstakes sponsors provide all entry requirements, based on existing federal, state and local regulations . . . CBS is not a lottery company, and does not offer lottery, contest or sweepstakes entries. This promotion may be under different creative presentation. You have not yet won. Void where prohibited by law. Responders will be refunded their purchase price of our report in full if they are dissatisfied with the report. Refund claims must be made in writing to the address on the previous page within 60 days of purchase Our service is 100% Guaranteed: if you are not fully satisfied for any reason, simply write us to receive a Full Refund.”

This text is written in tiny, closely spaced, block text, and has been formatted to be intentionally difficult to read. Moreover, even if a victim were to read this statement, it does nothing to correct the multiple misrepresentations on the front of the solicitation that the recipient will receive a payment of \$798,000.00 upon submission of the \$20 fee.

47. Defendants mailed nearly identical solicitations, save for the victim's name and address, to thousands of potential victims. All of the solicitations contained a return envelope pre-addressed to: 7100 Lockwood Blvd, PMB 400, Boardman, Ohio, 44512.

48. PMB 400, Boardman, Ohio is registered to Nishiguchi through Rockport, and paid for by Quaglia using a credit card in his own name.

The "Capital Prize Registry" Solicitation

49. Another solicitation sent by Defendants purports to have been sent by "Capital Prize Registry" and creates the false impression that its recipient is entitled to receive \$3,275,000 and need only mail in a processing fee of \$19.95 and sign a "Personal Statement and Identity Validation Section." See Exhibit B.

50. The notice purports to be from "Henry Krisly, Chief Executive Officer" and Charles D. Smith, Director." The notice states in large print "Notice of SUPER-PRIZE Assurances" and says "As verified: Money and Luxury Prizes are officially booked on report shipment pending dispatch to you at this time." Toward the top of the page a block of text reads "Amount Pending Total Valuation: \$3,275,000.00."

51. The solicitation goes on and makes further specific misrepresentations, including further statements about the "guaranteed" cash award, that receipt of the cash award only necessitates a \$19.95 payment, and providing a false deadline:

- The recipient is "eligible for receipt of Full Disclosure Documents with access to Guaranteed Third-Party Sponsored CASH AND PRIZE Awards Totaling **** \$3,275,000.00 USD."
- "As Chief Executive Officer of CAPITAL PRIZES REGISTRY, I have personally authorized these documents and am at liberty to inform you that an Awards Portfolio valued at *** \$3,275,000.00 *** in FREE MONEY PRIZES and FREE LUXURY PRIZES will be delivered to you with your compliant reply to this signed notification. This is a real advisory."

- The award is said to be “GUARANTEED by the award sponsors and corroborated by my office at ***** \$3,275,000.00 IN MONEY AND PRIZES *****.”
- “Enclosure of the mandatory fee for the Report shipment is REQUIRED and indicated on the accompanying attachment (Part 2) and must be remitted with return of the ENTIRE PAGE 2 DOCUMENT, fully completed. This fee is one-time incurrence and non-optional.”
- “Please respond within 7 days or sooner.”

52. The response card is styled as a “Report Shipment Fee and Remittance Section” and states “Award Amount in Aggregate \$3,275,000.00”. The response card refers to “FREE MONEY” and “FREE LUXURY PRIZES”. The response card then states that “REPORT SHIPMENT FEE REQUIRED: \$19.95” and asks for a method of payment to be provided. The response card also contains a “Personal Statement and Identity Validation Section,” asking the victim to confirm their address so that the “FREE MONEY AND FREE LUXURY PRIZES, will be issued directly to me by mandate of the Capital Prize Registry.”

53. Victims who sent in \$19.95 and a completed claimant form in response to this solicitation did not receive any funds or payment.

54. On the solicitation, in a block of text written in lighter font than the rest of the solicitation (which is in bold), is a paragraph making the following confusing statement:

THIS IS NOT A SWEEPSTAKES: CAPITAL PRIZES REGISTRY DOES NOT SPONSOR ANY SWEEPSTAKES, MAKE ANY AWARD OF CASH OR PRIZES, NOR DO WE ENTER YOU IN ANY SWEEPSTAKES CONDUCTED BY INDEPENDENT SPONSOR CORPORATIONS INCLUDING ENTRY INFORMATION AND SPONSOR-SET DEADLINES. THIS IS NOT A SWEEPSTAKES OR AWARD NOTIFICATION AND DOES NOT GUARANTEE ANY WINNINGS. YOU HAVE NOT YET OFFICIALLY WON A PRIZE. INSTANT WINNING WITHOUT WINNER DETERMINATION RECORD IS PROHIBITED.

Moreover, on the reverse side of the solicitation is a purported “Disclaimer” stating in relevant part:

This offer presents a subscription to Capital Prize Registry (CPR) magazine that includes a prosperity lifestyle advisory section and compiled entry details for cash awards and prize opportunities that are offered to the public by independent sponsors Our service is 100% Guaranteed”

55. Even if a victim were to read these statements, it does nothing to correct the multiple misrepresentations on the front of the solicitation that the recipient will receive a payment of \$3,275,000 upon submission of the \$19.95 fee.

56. Nearly identical solicitations were sent to thousands of other potential victims.

The “Awards Research Bureau” Solicitation

57. Another solicitation sent by Defendants to potential victims purports to have been sent by “Capital Prize Registry” and creates the false impression that its recipient has won \$1,950,000 and need only send a \$39.95 “report fee” to claim the prize. *See* Exhibit C.

58. The solicitation purports to come from “Harold O. Whiney” a “Records Officer” and “Albert Bauguin” the “Senior Appropriations Director” at “Award Research Bureau.” It bears a heading in capital bold letters claiming: “**NOTICE OF PRIZE DISCLOSURE RELEASE,**” a subject line stating “**FREE FINANCIAL REWARDS**” and an “Official Description: Determined Sweepstakes Sponsored Giveaways of FREE Money and Prizes” with the “Total Verified” amount of “\$1,950,000.000 USD.”

59. The solicitation goes on to make a series of specific misrepresentations informing the victim that he/she has won \$1,950,000 and only need pay a \$39.95 fee to obtain the prize:

- “... the Award Research Bureau, we are now writing to inform you that an immediate Report disbursement is being readied for shipment to you. ****\$1,950,000.000 in MONEY AND PRIZES will be yours upon receipt!”
- The return card “must be completed and returned to proceed with all arrangements through which your identification and primary/permanent delivery address is assured for the Report shipment determined at *****\$1,950,000.00 in FREE GIVEAWAYS!”

- "... our processing department requests your undelayed reply and completion of the aforementioned OFFICIAL FORM #4779-A on page 2. A one-time mandatory Report fee of \$39.95 USD is required and must be prepaid to ARB. (See page 2.)"
- "Finally, my signature as Officer of Records appears below left, alongside that of Albert Bauquin, Senior Appropriations Director, constituting the formal nature of this letter and our executive policy of paid delivery."

60. The response card is styled as the official-sounding "FORM #4779-A" with a "Total Monetary Valuation: \$1,950,000.00". The response card contains a "DESCRIPTION OF WINNER AWARDS" and states that the prize is "Full Purse Verified." At the bottom of the response card, where the victim is supposed to sign, the card again confirms that the prize "has been tabulated in aggregate at ****\$1,950,000.00****."

61. The response card also creates a false sense of urgency by containing an "IMPORTANT" notice that "DEADLINE SPECIFICITY IS IMPOSED BY COMMERCIAL SPONSORS. DO NOT DELAY" and informs the recipient that the form must be completed and returned in "7 days."

62. Recipients of this solicitation who return the \$39.95 fee did not receive the promised prize.

63. On the bottom of the solicitation in small font is the following statement:

PUBLIC SERVICE DISCLAIMER: Award Research Bureau is a private, independent organization. We are not a gaming organization. We do not sponsor or operate any sweepstakes or enter you into any sweepstakes. We are not in collusion with any sweepstakes or prize provider. We cannot officially or unofficially state that you have won a prize. Regulatory requirements include such language as this is not an award notification, there are no guarantee of winnings and you have not yet won a prize. The Award Research Bureau resources and compiles monthly report bulletins from sweepstakes and contests conducted by commercial sponsors who are individually responsible to deliver entered winners awards directly as we do not award any cash or prizes.

The print is difficult to read. Moreover, even if a victim were to read this statement, it does not dispel the misrepresentations elsewhere in the solicitation that the recipient will receive \$1,950,000 if he or she pays the \$39.95 fee.

64. Nearly identical solicitations were sent to thousands of other potential victims.

65. The specific misrepresentations identified in Paragraphs 42 through 64 are only a few examples of the similar misrepresentations contained in form letter solicitations utilized by Defendants.

DEFENDANTS' KNOWLEDGE AND CONCEALMENT OF THE FRAUD

66. Defendants have operated this mail fraud scheme since at least 2011. Defendants know that the solicitations they send to potential victims throughout the world contain false and misleading statements intended to induce the recipients to send them payments.

67. Defendants style their solicitations as letters from fictional institutions and individuals, knowing these entities do not exist, in order to mask the true origin of their solicitations.

68. Defendants also know that, despite the fact that their solicitations direct victims to send payment in exchange for large prizes, those who respond and send payments do not receive the promised cash.

69. In an August 10, 2015 email to Quaglia a business associate describes a proposed solicitation and how the solicitation would be intentionally written to dupe and confuse potential victims:

The offer will be to find out free information on an exclusive million dollar sweeps (or the like). There will be a 'but wait there is more' secondary prize in the 10,000 Quid range. The scratch is gonna make prospects feel like they've qualified for the next step on the million. But the secondary scratch is gonna be confusing enough for the reader to think they might have actually won the ten grand. . .

Quaglia responded the same day to the proposed offer and says he is "not pinned to a size nor a look: I'm fine with whatever pulls best in your opinion."

70. Defendants, in internal communications, exhibited an awareness of the illegal nature of their scheme. In a July 23, 2014 email from a Navigator employee to Quaglia and others, the Navigator employee specifically proposes that Navigator stop using Gmail to avoid detection by U.S. law enforcement:

Necessary side note: If our reputation becomes worse, of course our mail will be held at the border, (repeat December 2013). We can run in circles and let them chase us under a new business names, but I would like to point out, we use GMAIL. Google is based out of the states. The NSA at any time, can come in, take whatever info they'd like, take all of our documents from google drive, access any and all of our IP addresses, regardless of where we re-route them, and [expletive] us in the face, while we watch them. Not really keen on that. With this, I suggest discussing a new email server, based out of Toronto. Just a suggestion. The laws in Canada, and the States are not the same. And I doubt any Americans are going to notice, or investigate. The more complaints we get, the more investigations, the more PacNet loses their desire to work with us. On goes the ripple affect.

71. After U.S. law enforcement arrested four individuals in Florida and shut down their mass mail fraud operation in May 2015, Navigator employees circulated a news article and discussed shutting down all Florida operations to avoid detection by law enforcement with the subject line "Shut down FLA immediately":

There was a big raid in south FLA recently. We should definitely think about shutting down all boxes there, just to be on the safe side.

The other Navigator employee responded:

[Expletive] really!? That is 5 boxes. Damn, how did you get wind of that? -

On the same day, a link to the news article on this topic was sent directly to Quaglia.

72. Similarly, after U.S. and Dutch law enforcement actions against Trends in June 2016, Defendants immediately ceased using Trends. In a June 6, 2016 email Quaglia informed

other Navigator employees, including Mckeown, to: “Immediately cease using any and all BRE's with Trends addresses. Note we have 1 NL address that is not Trends... This box can be used (unlike any Trends addresses).”

73. The manner in which Defendants operate the mass mailing schemes indicate attempts to conceal their identity and involvement in these fraud schemes from law enforcement.

HARM TO VICTIMS

74. Victims, especially elderly and vulnerable victims, suffer financial losses from the mail fraud scheme that Defendants perpetrate. Many individuals are victims of multiple direct mailing schemes run by Defendants. If unabated, these losses will rise and continue harming Defendants' victims.

75. Defendants' fraudulent scheme is ongoing. Absent injunctive relief by this Court, Defendants will continue to cause injury to recipients of these solicitations.

COUNT I

(18 U.S.C. § 1345 – Injunctive Relief)

76. The United States realleges and incorporates by reference paragraphs 1 through 75 of this Complaint as though fully set forth herein.

77. By reason of the conduct described herein, Defendants violated, are violating, and are about to violate 18 U.S.C. §§ 1341 and 1349 by executing a scheme or artifice to defraud for obtaining money or property by means of false or fraudulent representations with the intent to defraud, and, in so doing, use the U.S. mail.

78. Upon a showing that Defendants are committing or about to commit mail fraud, the United States is entitled, under 18 U.S.C. § 1345, to a temporary restraining order, a

preliminary injunction, and a permanent injunction restraining all future fraudulent conduct and any other action that this Court deems just in order to prevent a continuing and substantial injury to the victims of fraud.

79. As a result of the foregoing, Defendants' conduct should be enjoined pursuant to 18 U.S.C. § 1345.

PRAYER FOR RELIEF

WHEREFORE, the plaintiff United States of America requests of the Court the following relief:

- A. That the Court issue an order, pursuant to 18 U.S.C. § 1345, pending a hearing and determination on the United States' application for a preliminary injunction, that Defendants, their agents, officers and employees, and all other persons and entities in active concert or participation with them are temporarily restrained from:
- i. committing mail fraud, as defined by 18 U.S.C. §§ 1341 and 1349;
 - ii. using the United States mail, or causing others to use the United States mail, to distribute any advertisements, solicitations, or promotional materials or to send or receive payments in response to any advertisements, solicitations, or promotional materials:
 - (a) that represent, directly or indirectly, expressly or impliedly that the recipient has won, will win, or will receive cash, awards, or prizes;
 - (b) that represent, directly or indirectly, expressly or impliedly that the recipient will receive delivery of cash, awards, or other valuable prizes in return for payment of a fee;
 - (c) that offer for sale information regarding sweepstakes or lotteries;

- (d) that represent, directly or indirectly, expressly or impliedly that for payment of a fee the payor will receive delivery of an item or one of a number of items, when in reality the payor will receive nothing or will receive delivery of a different item, irrespective of whether the materials contain a disclaimer or statement that the recipient will or may receive delivery of a different item;
 - (e) that represent, directly or indirectly, expressly or impliedly, that the recipient of the solicitation was specifically selected to receive the mailing based on a reason other than the fact that the recipient's name appears on a mailing list; or
 - (f) that contain any other false or misleading representations;
- iii. using the United States mail to receive, handle, open, or forward any mail that responds, by sending payment or otherwise, to materials described in Paragraph (ii)(a)-(f), *supra*;
- iv. selling, offering for sale, leasing, or offering for lease any lists of U.S. residents or mailing lists of any type compiled from U.S. residents who have responded to any of the materials described in Paragraph (ii)(a)-(f), *supra*;
- v. performing "caging services" on mail received via the United States mail in response to any of the materials described in Paragraph (ii)(a)-(f), *supra*, including opening mail; entering or inputting data about responders into a database or forwarding such data; handling, forwarding, or depositing payments received from responders, including currency, bank checks, certified checks,

money orders, or credit card charge authorizations; or handling or forwarding any mail received from responders;

- vi. destroying, deleting, removing, or transferring any and all business, financial, accounting, and other records concerning Defendants' operations and the operations of any other corporate entity owned or controlled, in whole or in part, by Defendants.

B. That the Court further order, pursuant to 18 U.S.C. § 1345, that within 2 days from Defendants' receipt of this Temporary Restraining Order and Order to Show Cause, Defendants shall provide copies of this Temporary Restraining Order and Order to Show Cause to all direct mailers, list brokers, printer/distributors, mailing houses, caging services and/or payment processors with which they do business regarding the materials described in Paragraph (ii)(a)-(f), *supra*, informing them that they are subject to the Temporary Restraining Order as an entity in active concert or participation with Defendants, and within 7 days from Defendants' receipt of the Temporary Restraining Order and Order to Show Cause, Defendants shall provide proof of such notice to the Court and the United States, including the name and addresses of the entities and/or individuals to whom the notice was sent, how the notice was sent, and when the notice was sent.

C. That the Court further order that, pursuant to 18 U.S.C. § 1345, the United States Postal Service is authorized to detain:

- i. all of Defendants' incoming mail, mail matter, or packages transported in interstate or foreign commerce addressed to any of Defendants' post office boxes, private mail boxes or any other address anywhere in the United States of America,

which consists of or contains responses to any of the materials described in paragraph (ii)(a)-(f), *supra*, or;

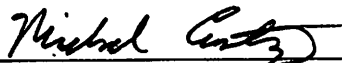
- ii. any of the materials described in paragraph (ii)(a)-(f), *supra*, and any substantially similar advertisements, solicitations, and promotional materials that are deposited into the United States mail by Defendants, their agents, officers or employees, or any other persons or entities in active concert or participation with them.
- D. That the Court issue a preliminary injunction on the same basis and to the same effect.
- E. That the Court issue a permanent injunction on the same basis and to the same effect.

F. That the Court order such other and further relief as the Court shall deem just and proper.

Dated: February 21, 2018

Respectfully submitted,

RICHARD P. DONOGHUE
United States Attorney
Eastern District of New York
271 Cadman Plaza East
Brooklyn, New York 11201


MICHAEL J. CASTIGLIONE
JOHN VAGELATOS
Assistant United States Attorneys
Tel. (718) 254-7000
Fax: (718) 254-7508
Michael.Castiglione@usdoj.gov

CHAD A. READLER
Acting Assistant Attorney General
Civil Division
United States Department of Justice

ETHAN P. DAVIS
Deputy Assistant Attorney General

GUSTAV EYLER
Acting Director
Consumer Protection Branch

JILL FURMAN
Deputy Director



ANN F. ENTWISTLE
Trial Attorney
U.S. Department of Justice
P.O. Box 386
Washington, D.C. 20044
Tel. (202) 307-0066
Fax: (202) 514-8742
Ann.F.Entwistle@usdoj.gov

Exhibit A
Complaint



Corporate Billing Services PPR

BILL

AMOUNT REPORTED: \$798,000.00 CASH & AWARDS

RETURN WITH PAYMENT BY:
18.07.2016.

Method of Payment: Check Money Order VISA M/C
Card Number _____ Expiry Date (MM YY) _____

Subscription Fee: \$155.40
Acquisition Fee: \$39.95
You Save: \$195.35
Tax: \$00.00
You Pay Only \$20

SIGN HERE: X
[Redacted]
DUBLIN 14,
IRELAND 0663

FILED

YOUR PERSONAL ACCOUNT NUMBER
100002948
Q0622F71M-20M61-AB-VGS-AA AA05

724451 39782 00439 21070020 9

This is a solicitation for the order of goods or services, or both, and not a bill, invoice or statement of account due. You are under no obligation to make any payments or account of this offer unless you accept this offer.

M81 LFOF 061EE

▲ PLEASE DETACH ALONG PERFORATED LINE AND RETURN IN THE ENVELOPE PROVIDED WITHIN THE TIME-FRAME SPECIFIED ▲



AMOUNT REPORTED: \$798,000.00

Please See Over!

Dispatched: 27.06.2016.
Due Date: 18.07.2016.

Dear [Redacted],
Please see over.
We have received your signed Authorization for release of the Cash and Awards entry procedure directives totaling \$798,000.00, for which you are GUARANTEED eligible to receive by Priority Identification No. 100002948.

However, because we did not receive the required \$20 report payment along with your Authorization, delivery of the Entry Procedures for the \$798,000.00 in Cash and Awards have been temporarily suspended.

Since we are certain that you would want to receive the \$798,000.00 in Cash and Prizes, we have dispatched this opportunity to rectify the situation and activate delivery of the Entry Procedures for the entire \$798,000.00.

But Hurry! Portions of the Entry Procedures Report is Time-Sensitive. Do not miss out on Sponsor required entry dates.

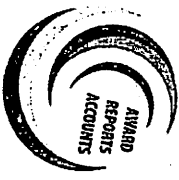
[Redacted], don't miss this LAST CHANCE to receive your Sponsor GUARANTEED Win-Opportunity for the \$798,000.00 in Cash and Awards! We must receive your payment by 18.07.2016.

Simply tear-off the form left and return it to our offices along with the \$20 made payable to the "CBS" in the envelope provided today.

Thank you for your attention to this matter.

Sincerely,

John Masterson
John Masterson
Accounts Receivable



PS. Remember, the entire \$798,000.00 in Cash and Awards is FULLY GUARANTEED for payment by third-party sponsoring agencies to determined winners. So don't wait! Return your activation payment today!

BEFORE YOU MAIL

- 1. Is your name and address correct on the invoice?
- 2. Is your payment made payable to "C.B.S."?
- 3. Please be sure to enclose the Invoice/Bill with your payment

THANK YOU FOR YOUR PAYMENT

This gentleman [REDACTED] has not resided at this address for considerable long time. This is NOT the first time you were informed. Please amend your records [REDACTED] Thanking you [REDACTED]

Consumer information: Corporate Billing Services PPR is a marketing, research and reporting service. We specialize in researching sweepstakes sponsored and conducted by corporate organization with which the CBSIs completely unaffiliated. Please allow 6-8 weeks for processing and shipping. These sweepstakes sponsors provide all entry requirements, based on existing federal, state, and local regulations. CBS is not liable for any entries made or attempted by readers of its reports. All sweepstakes researched and reported are free to enter, as based on the information supplied by the sponsors. CBS uses all due diligence to accurately report the entry details of each sweepstakes. CBS is not a lottery company, and does not offer lottery, contest or sweepstakes entries. This promotion may be under different creative presentation. You have not yet won. Void where prohibited by law. Responders will be refunded their purchase price of our report in full if they are dissatisfied with the report. Refund claims must be made in writing to the address on the previous page within 60 days of purchase. If you do not wish to receive further mail solicitations from CBS, just return this entire letter in the envelope provided, with the letters "DNM" next to your name/address area. By paying for your purchase with your check, you are accepting our check acceptance policy. In the unlikely event that your check is returned unpaid, you understand and agree that your check may be electronically represented and we will also collect a returned check processing charge as allowed by state law. If your check is electronically represented, it will not be provided to you with your bank statement, but a copy can be retrieved by contacting your financial institution. Our service is 100% Guaranteed; if you are not fully satisfied for any reason, simply write us to receive a Full Refund. If you accept any Money or Prize from our Reported Sweepstakes, this guarantee is null and void.

IMPORTANT: DO NOT POSTPONE THE RETURN OF YOUR INVOICE IN THE SECURITY ENVELOPE PROVIDED. PRIZE PAYMENTS ARE PRE-SCHEDULED BY THEIR INDEPENDENT SPONSORS AND ENTRIES HAVE MANDATORY CUT-OFF DATES FOR RECEIPT OF PROPERLY COMPLETED ENTRY PAPER WORK.

IF YOUR ADDRESS IS INCORRECT OR HAS CHANGED, PLEASE PRINT YOUR NEW ADDRESS AND INFORMATION HERE:

NAME _____ Mark Korman
 ADDRESS _____
 ADDRESS 2 _____

▲ PLEASE DETACH ALONG PERFORATED LINE AND RETURN IN THE ENVELOPE PROVIDED WITHIN THE TIME FRAME SPECIFIED ▲

PLEASE PRINT CLEARLY:

NAME
ADDRESS
CITY
STATE / ZIP



FIRCODE

14824503

NTRE



C.B.S.

A division of RPM
7100 Lockwood Blvd.
PMB 400
Boardman, Ohio
44512

USA

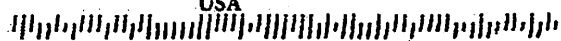


Exhibit B
Complaint



REVIEW DOCUMENTS ENCLOSED. AT ONCE
AWARD REGISTRATION DIV.

Officer Signatures Appear Inside - Open AI Onco
Form NR **2086**

CAPITAL PRIZE REGISTRY
SPECIAL MAIL ROUTING AND DELIVERY UNDER DIRECTIVE OF CORPORATE OFFICES

8826 New Territory Blvd.
#105
Sugar Land, Texas 77479

DOCUMENTS REGISTERED IN THE NAME OF:



VA 22911-8840



REPLY ENCLOSED:

Name _____

Address _____

City/State/Zip _____

PLACE
STAMP
HERE

REVIEW ON RECEIPT

Capital Prize Registry
A division of WBA

MANAGEMENT AND PROCESSING CENTER

5826 New Territory Blvd, Suite 105
Sugar Land, TX 77479



PROPER FORM MUST BE ENCLOSED

ATTENTION FORM: 2086

32W BRE 0016



— RECIPIENT COMPLETION PAPERS FOR REPORT PORTFOLIO SHIPMENT —

PRIZE OPPORTUNITY AFFIRMATION CONFIRMED FOR MAJOR MONEY AND AWARDS TRANSFER PENDING SELECTION BY INDEPENDENT CORPORATE SPONSORS AS A RECORDED WINNER

FORM NO. 2086

OFFICIAL AUTHORIZATION DOCUMENT
PROPERTY OF: [REDACTED]

Corporate Issuer: Capital Prize Registry Page No.: 2 of 2 Date: August 19, 2016

IMPORTANT NOTICE:

THE CAPITAL PRIZE REGISTRY IS AWAITING YOUR INDEPENDENT DECISIVE ACTION FOR REPORT SHIPMENT AND ENTRY-SPECIFIC REFERENCES ASSURING THE COMPLETE WIN OPPORTUNITY AMOUNT OF

***** \$3,275,000.00 IN MONEY AND LUXURY PRIZES *****

Net Payable Amount Pending WINNETS Selection

Aggregate Total Referenced By: FREE GIVEAWAY PROGRAMS
Net Amount Assured For Issuer: *** \$3,275,000.00 ***
Winning Entry Filings: REQUIRED BY SPONSORS
Awards Description: LUXURY PRIZES/MONEY
Recorded Name: [REDACTED]

TOTAL AWARD FUNDS: 1 (ON RECORD: 1)
WIN OPPORTUNITIES CERTIFIED WITH ENTRANT REPLY BEFORE DEADLINES — PRINT FULL AND TOTAL NET AMOUNT HERE

MAXIMUM WIN OPPORTUNITIES IN FREE MONEY AND PRIZES GUARANTEED:
\$3,275,000.00

TOTAL AWARD FUNDS: 2 (ON RECORD: 2)
ACCESS DOCUMENTS FOR MAJOR WIN OPPORTUNITIES OF AWARDS NOW CONFIRMED IN REPORT FOR PENDING DELIVERY

REPRINT PRIZE REPORT ACCESS PURSE NOW VERIFIED IN TOTAL REGISTERED:
\$3,275,000.00

ENTER DESIGNATE OF NON-TRANSFERABLE ISSUANCE HERE: [REDACTED] VA 22911-8840

ACTION REQUIRED TO PROCEED: Return This Page TAKES DUE FROM THIS NOTIFICATION: None REPORT SHIPMENT FEE REQUIRED: \$19.95 REPLY REQUEST TIMETABLE: 7 Days

OFFICER SIGNATORY: Executive Approval and Endorsement *Charles D. Smith*

PERSONAL STATEMENT AND IDENTITY VALIDATION SECTION

REPORT SHIPMENT FEE AND REMITTANCE SECTION

AWARDS AMOUNT IN AGGREGATE

\$3,275,000.00

1. I fully understand that the Awards Amount reprinted above and stated throughout this signed document, is represented in total by inclusion of the following:

FREE MONEY FREE LUXURY PRIZES

2. YES, I have enclosed the Report Shipment fee as assessed and REQUIRED to complete this transaction. My choice of payment option is fully represented below. Corporate sponsors select winners according to their rules and deliver all AWARDS directly.

REPORT SHIPMENT FEE REQUIRED: \$19.95

INDICATE PAYMENT METHOD:

CASH CHECK MONEY ORDER
CHARGE TO: VISA MASTERCARD

MAKE \$19.95 CHECK OR MONEY ORDER PAYABLE TO: C.A.B.

Credit Card # _____
Exp. Date (Mo./Yr.) _____
Credit Card Signature _____

NON-TRANSFERABLE RECEIPT OF RECORD:

PERSONAL ID: #523580715

VA 22911-8840

PLEASE READ AND COMPLETE BELOW:

YES, I confirm that my Identification is 100% Correct as stated in these papers (make correction below if necessary).

I understand that on return of this documentation request, the Report fully including the portfolio of Awards FOR INDEPENDENT SPONSOR FREE MONEY AND FREE LUXURY PRIZES, will be issued directly to me by mandate of the Capital Prize Registry. The total value of the AWARDS profiled is \$3,275,000.00 USD, as reprinted below in verification.

\$3,275,000.00

Notes: Please provide your Legal Signature for our business office and as a statement of your status as a legal-age adult.

SIGN HERE:
Signature Of: [REDACTED]
00015B/BE-ZU-3ZW-AB-K02-1H

OFFICIAL MAIL - NON-TRANSFERABLE - REVIEW AT ONCE

Official Delivery Attempt No. #1 02 03 0 Other

CAPITAL PRIZE REGISTRY

Notice Of SUPER-PRIZE Assurances

AS VERIFIED: MONEY AND LUXURY PRIZES ARE OFFICIALLY BOOKED ON REPORT SHIPMENT PENDING DISPATCH TO YOU AT THIS TIME.

AMOUNT PENDING TOTAL VALUATION: **\$3,275,000.00 USD**

ISSUING NO: [REDACTED] I.D. VERIFICATION NUMBER: #523580715

DEADLINE SENSITIVE MAIL: YES

DOCUMENTS REGISTERED IN THE NAME OF:

[REDACTED] VA 22911-8840

DATE ISSUED: August 19, 2016 TIME: 9:34am

VERIFIED ON REPORT FRONTOUT IF FREE MONEY & FREE PRIZES

FORM NO.: 2086

STATEMENT OF RECORD READS

RECIPIENT / FOLLOW INSTRUCTIONS BELOW. ENTRY PROCEDURE ACCESS IS DISCLOSED ON REPORT SHIPMENT IN THE TOTAL: **\$3,275,000.00 THREE MILLION TWO HUNDRED SEVENTY-FIVE THOUS USD**

Issue: [REDACTED] is eligible for receipt of Full Disclosure Documents with access to Guaranteed Third-Party Sponsored CASH AND PRIZE Awards totaling ****** \$3,275,000.00 USD**.

Addresses Modification Recorded Prior to the Disposition of These Documents

THIS IS A SIGNED LETTER OF CONTACT ISSUED DIRECTLY BY THE CAPITAL PRIZE REGISTRY TO: [REDACTED]

DO NOT HOLD. READ ON RECEIPT!

As Chief Executive Officer of the CAPITAL PRIZE REGISTRY, I have personally authorized these documents and am at liberty to inform you that an Awards Portfolio valued at ***** \$3,275,000.00 ***** IN FREE MONEY PRIZES and FREE LUXURY PRIZES will be delivered to you with your complaint reply to this signed notification. This is a real advisory.

All eligible Funds as stated for giveaway are valued in net U.S. DOLLARS. DISBURSEMENT TERMS of the cataloged giveaways will be arranged for direct parceling as soon as entered winners filing is VERIFIED by the multiple corporate sponsors who individually provide the FREE MONEY AND LUXURY PRIZES for complete, unrestricted handover.

THIS IS NOT A SWEEPSTAKES! CAPITAL PRIZE REGISTRY DOES NOT SPONSOR ANY SWEEPSTAKES, MAKE ANY AWARD OF CASH OR PRIZES, NOR DO WE ENTER YOU IN ANY SWEEPSTAKES. OUR BUSINESS PROVIDES REPORT BULLETINS OF AVAILABLE SWEEPSTAKES CONDUCTED BY INDEPENDENT SPONSOR CORPORATIONS INCLUDING ENTRY INFORMATION AND SPONSOR-SET DEADLINES. THIS IS NOT A SWEEPSTAKES OR AWARD NOTIFICATION AND DOES NOT GUARANTEE ANY WINNINGS. YOU HAVE NOT YET OFFICIALLY WON A PRIZE. INSTANT WINNING WITHOUT WINNER DETERMINATION RECORD IS PROHIBITED.

Enclosure of a mandatory fee for the Report shipment is REQUIRED and indicated on the accompanying attachment (Part 2) and must be remitted with return of the ENTIRE PAGE 2 DOCUMENT, fully completed. This fee is a one-time occurrence and is non optional.

Your response is required (by mail) with your Personal Identification Number #523580715 latest to receive the portfolio and all procedures instructing entry guidelines through which the opportunity Amount disclosed to you and GUARANTEED by the award sponsors is corroborated by my office at *******\$3,275,000.00 IN MONEY AND PRIZES*******

Please respond to this letter within 7 days or sooner. You must complete PART 1 and PART 2 on the bottom of page two. Then fold and mail the complete form in the pre-addressed reply envelope enclosed.

My office will instruct supervisory personnel to secure your correspondence on arrival for formal review and due processing.

We are ready to serve you at this time, and it is a pleasure and honor in my full capacity to do so.

Henry Kray

Henry Kray, Chief Executive Officer
Capital Prize Registry

Charles D. Smith

Counter-signature above: Charles D. Smith, Director
of Executive staff and supervisory personnel

Disclaimer

This offer presents a subscription to Capital Prize Registry (CPR) Report magazine that includes a prosperity lifestyle advisory section and compiles entry details for cash awards and prize opportunities that are offered to the public by independent sponsors. Please allow 6-8 weeks for processing and delivery. We may send respondent additional offers and may provide respondent's information to other companies. If do not wish to receive such offers simply notify us in writing and we will remove your name and information from our mailing list. Different graphic presentations of this offer may be made. Our service is 100% Guaranteed: if you are not fully satisfied for any reason, simply write us to receive a Full Refund. If you accept any Money or Prize from our Reported Sweepstakes, this guarantee is null and void.

IF YOUR ADDRESS IS INCORRECT OR HAS CHANGED, PLEASE PRINT YOUR NEW ADDRESS AND INFORMATION HERE:

NAME

ADDRESS

STATE

ZIP CODE

Exhibit C
Complaint



IF UNDELIVERABLE RETURN TO
**OFFICE OF OFFICIAL RECORDS
ARB DIVISION**

PO Box 105
6928 New Territory Blvd.
Sugar Land, TX 77479

Mail Delivery Containing Original Documents

DATED AND SIGNED PAPERS

Machine Sealed To Be Opened By Addressee Only

ACTION REQUESTED
OPEN WHEN RECEIVED

CERTIFIED INSTRUCTIONS INSIDE

* I.D.# 523700572 C0515R/RS-A031R-BA-N02-HU *



OH 44889-8985



38W OE 0716

PLACE
STAMP
HERE

33W BRE 0716

ARB WORLD HEADQUARTERS
OFFICER OF RECORDS AND ATTENTION: HAROLD O. WHITNEY
MANAGEMENT DIV

A division of WBA
PO Box 105
5826 New Territory Blvd.
Sugar Land, TX 77479

CONTENTS IMPORTANT - SERVICE REQUIRED

FORM NO. 4779-A

PRINT NAME

Address

City/State/Zip



SUMMONS ISSUED

JS 44 (Rev. 01/29/2018)

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
 United States of America

(b) County of Residence of First Listed Plaintiff
 (EXCEPT IN U.S. PLAINTIFF CASES)
CV 18-1102

(c) Attorneys (Firm Name, Address, and Telephone Number)
 Michael J. Castiglione, John Vagelatos, U.S. Attorney's Office, E.D.N.Y.,
 271 Cadman Plaza E., Brooklyn, NY 11201, 718-254-7000; Ann
 Entwistle, U.S. DOJ, PO Box 386, Washington, DC 20044 202-305-3630

DEFENDANTS
 Alexander Quaglia, Rychard Mckeown, Brent Nishiguchi, Navigator
 Marketing Ltd. and Rockport Promotional Marketing LLC

County of Residence of First Listed Defendant Vancouver, BC, Canada
 (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF
 THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

1 U.S. Government Plaintiff

2 U.S. Government Defendant

3 Federal Question (U.S. Government Not a Party)

4 Diversity (Indicate Citizenship of Parties in Item III)

MATSUMOTO, J.
GOLD, M.J.

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
 (For Diversity Cases Only)

	PTF	DEF		
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in This State	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated or Principal Place of Business in Another State	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6

IV. NATURE OF SUIT (Place an "X" in One Box Only) Click here for: Nature of Suit Code Descriptions.

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	PRISONER PETITIONS Habeas Corpus: <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act	PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark
			IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))
				<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input checked="" type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
				FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609

V. ORIGIN (Place an "X" in One Box Only)

1 Original Proceeding

2 Removed from State Court

3 Remanded from Appellate Court

4 Reinstated or Reopened

5 Transferred from Another District (specify)

6 Multidistrict Litigation - Transfer

8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
 18 U.S.C. 1345

Brief description of cause:
 Action for injunctive relief to enjoin ongoing criminal mail fraud violation of 18 USC 1341 and 1349

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

DEMAND \$ _____

CHECK YES only if demanded in complaint:
 JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY (See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE: 02/21/2018

SIGNATURE OF ATTORNEY OF RECORD: *Michael Castiglione*

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

CERTIFICATION OF ARBITRATION ELIGIBILITY

Local Arbitration Rule 83.10 provides that with certain exceptions, actions seeking money damages only in an amount not in excess of \$150,000, exclusive of interest and costs, are eligible for compulsory arbitration. The amount of damages is presumed to be below the threshold amount unless a certification to the contrary is filed.

I, Michael J. Castiglione, counsel for the United States, do hereby certify that the above captioned civil action is ineligible for compulsory arbitration for the following reason(s):

- monetary damages sought are in excess of \$150,000, exclusive of interest and costs,
- the complaint seeks injunctive relief,
- the matter is otherwise ineligible for the following reason

DISCLOSURE STATEMENT - FEDERAL RULES CIVIL PROCEDURE 7.1

Identify any parent corporation and any publicly held corporation that owns 10% or more of its stocks:

RELATED CASE STATEMENT (Section VIII on the Front of this Form)

Please list all cases that are arguably related pursuant to Division of Business Rule 50.3.1 in Section VIII on the front of this form. Rule 50.3.1 (a) provides that "A civil case is "related" to another civil case for purposes of this guideline when, because of the similarity of facts and legal issues or because the cases arise from the same transactions or events, a substantial saving of judicial resources is likely to result from assigning both cases to the same judge and magistrate judge." Rule 50.3.1 (b) provides that " A civil case shall not be deemed "related" to another civil case merely because the civil case: (A) involves identical legal issues, or (B) involves the same parties." Rule 50.3.1 (c) further provides that "Presumptively, and subject to the power of a judge to determine otherwise pursuant to paragraph (d), civil cases shall not be deemed to be "related" unless both cases are still pending before the court."

NY-E DIVISION OF BUSINESS RULE 50.1(d)(2)

- 1.) Is the civil action being filed in the Eastern District removed from a New York State Court located in Nassau or Suffolk County? Yes No
- 2.) If you answered "no" above:
 - a) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in Nassau or Suffolk County? Yes No
 - b) Did the events or omissions giving rise to the claim or claims, or a substantial part thereof, occur in the Eastern District? Yes No
 - c) If this is a Fair Debt Collection Practice Act case, specify the County in which the offending communication was received:

If your answer to question 2 (b) is "No," does the defendant (or a majority of the defendants, if there is more than one) reside in Nassau or Suffolk County, or, in an interpleader action, does the claimant (or a majority of the claimants, if there is more than one) reside in Nassau or Suffolk County? Yes No

(Note: A corporation shall be considered a resident of the County in which it has the most significant contacts).

BAR ADMISSION

I am currently admitted in the Eastern District of New York and currently a member in good standing of the bar of this court.

Yes No

Are you currently the subject of any disciplinary action (s) in this or any other state or federal court?

Yes (If yes, please explain) No

I certify the accuracy of all information provided above.

Signature: Michael Castiglione