

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

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO.</b> _____
<b>v.</b>	<b>:</b>	<b>DATE FILED:</b> _____
<b>CHARLENE LEAK</b>	<b>:</b>	<b>VIOLATIONS:</b>
	<b>:</b>	<b>18 U.S.C. § 371 (conspiracy - 1 count)</b>
	<b>:</b>	<b>18 U.S.C. § 1344 (bank fraud - 1 count)</b>
		<b>18 U.S.C. § 2 (aiding and abetting)</b>

**INDICTMENT**

**COUNT ONE**

**THE GRAND JURY CHARGES THAT:**

At all times material to this Information:

1. Sovereign Bank, TD Bank, and Wachovia Bank were all financial institutions doing business in interstate commerce, the deposits of which were insured by the Federal Deposit Insurance Corporation.
2. American Heritage Federal Credit Union and Freedom Credit Union were both financial institutions doing business in interstate commerce, the deposits of which were insured by the National Credit Union Share Insurance Fund.
3. M and G Check Cashing and ALNOR, Inc. were check cashing organizations operating in and affecting interstate commerce.
4. From on or about May 12, 2009, to on or about July 9, 2009, in the Eastern District of Pennsylvania, and elsewhere, defendant

**CHARLENE LEAK**

conspired and agreed, together and with others known and unknown to the grand jury, to commit offenses against the United States, that is, she knowingly executed a scheme to defraud banks and

financial institutions, and aided and abetted the execution of a scheme to defraud banks and financial institutions, in violation of Title 18, United States Code, Section 1344.

### **MANNER AND MEANS**

It was part of the conspiracy that:

5. Phillip Eric Weems, a/k/a "Black," who is charged elsewhere, was the leader and organizer of a counterfeit securities scheme, in which Weems and others known and unknown to the grand jury made and uttered counterfeit checks and presented counterfeit checks to check cashing businesses and financial institutions.

6. Phillip Eric Weems, co-conspirators Kendall Freeman and Mingtoy Devero, who are charged elsewhere, defendant CHARLENE LEAK, and other coconspirators known and unknown to the grand jury opened bank accounts at financial institutions for fictitious companies such as Tri-State Payroll Services, LLC ("Tri-State Payroll Services"), Leak Enterprises, LLC d/b/a Valu-Plus ("Leak Enterprises"), Paychex Services LLC ("Paychex Services") and Holloway Enterprises, LLC d/b/a Dunkin' Donuts ("Dunkin' Donuts"), caused checks to be created for those accounts, and then used the checks to pay for goods and property knowing that the accounts had no or insufficient funds in the accounts.

7. Phillip Eric Weems, defendant CHARLENE LEAK, Kendall Freeman, Mingtoy Devero, and other coconspirators known and unknown to the grand jury sent applications to register the fictitious companies to the State of Pennsylvania's Corporation Bureau of the Department of State in Harrisburg, Pennsylvania, through the United States mails.

8. Defendant CHARLENE LEAK, Kendall Freeman, Mingtoy Devero, and others known and unknown to the grand jury acted as "runners" for the scheme by depositing the checks in their own bank accounts and then withdrawing funds before the banks learned that the

checks were not supported by sufficient funds.

### **OVERT ACTS**

In furtherance of the conspiracy and to accomplish its objects, defendant CHARLENE LEAK, Phillip Eric Weems, Mingtoy Devero, Kendall Freeman, and others known and unknown to the grand jury committed the following overt acts in the Eastern District of Pennsylvania and elsewhere:

#### **Tri-State Payroll Services**

1. On or about May 19, 2009, Mingtoy Devero and Phillip Eric Weems caused an application for registration of Tri-State Payroll Services to be sent by United States mail to the State of Pennsylvania's Corporation Bureau of the Department of State.
2. On or about June 26, 2009, Mingtoy Devero opened a checking account at Sovereign Bank, account ending in 2882, for Tri-State Payroll Services.
3. Between July 6, 2009, and July 9, 2009, after Sovereign Bank issued checks for the near empty Tri-State Payroll Services account, runners for the scheme known and unknown to the grand jury attempted to deposit checks drawn on the fraudulent Tri-State Payroll Services account into other accounts – including into personal bank accounts and the “Leak Enterprises” Wachovia account controlled by defendant CHARLENE LEAK (see below) – and then quickly withdraw the funds.
4. On or about July 6, 2009, Kendall Freeman deposited into an American Heritage Federal Credit Union account a Tri-State Payroll Services check in the approximate amount of \$2,571.84.
5. On or about July 6, 2009, defendant CHARLENE LEAK deposited into her personal American Heritage Federal Credit Union account a Tri-State Payroll Services check

in the approximate amount of \$2,341.04.

6. On or about July 7, 2009, Kendall Freeman deposited into a TD Bank account three Tri-State Payroll Services checks totaling, approximately, \$34,641.09.

7. On or about July 8, 2009, defendant CHARLENE LEAK deposited into her Leak Enterprises Wachovia Bank account a Tri-State Payroll Services check in the approximate amount of \$192,547.10.

8. On or about July 8, 2009, defendant CHARLENE LEAK deposited into her personal TD Bank account two Tri-State Payroll Services checks totaling, approximately, \$30,349.54.

9. On or about July 9, 2009, defendant CHARLENE LEAK presented to ALNOR, Inc., a check cashing business, a Tri-State Payroll Services check in the approximate amount of \$532.17.

#### **Leak Enterprises**

10. On or about May 19, 2009, Phillip Eric Weems and defendant CHARLENE LEAK caused an application for the registration of Leak Enterprises to be sent by United States mail to the State of Pennsylvania's Corporation Bureau of the Department of State.

11. On or about June 25, 2009, Phillip Eric Weems and defendant CHARLENE LEAK opened a checking account at Wachovia Bank, account ending in 8456, for Leak Enterprises.

12. On or about July 7, 2009, after Wachovia Bank issued checks for the near empty Leak Enterprises account, a runner for the scheme unknown to the grand jury deposited a Leak Enterprises check in the approximate amount of \$91,634.17 into the Tri-State Payroll Services account at Sovereign Bank.

### **Dunkin' Donuts**

14. On or about April 2, 2009, Phillip Eric Weems and M.H. caused an application for registration of Holloway Enterprises, LLC d/b/a Dunkin' Donuts ("Dunkin' Donuts") to be sent by United States mail to the State of Pennsylvania's Corporation Bureau of the Department of State.

15. On or about April 9, 2009, Phillip Eric Weems and M.H. opened a checking account at Wachovia Bank, account ending in 4139, for Dunkin' Donuts.

16. On or about May 12, 2009, after Wachovia Bank issued checks for the near empty Dunkin' Donuts account, runners for the scheme known and unknown to the grand jury attempted to deposit checks drawn on the fraudulent Dunkin' Donuts account into other accounts and then quickly withdraw the funds.

17. On or about May 12, 2009, Kendall Freeman presented to M and G Cashing, a check cashing business, a Dunkin' Donuts check in the approximate amount of \$482.28.

18. On or about May 12, 2009, defendant CHARLENE LEAK presented to M and G Cashing, a check cashing business, a Dunkin' Donuts check in the approximate amount of \$486.59.

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

## COUNT TWO

### THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 and 5 through 8 of Count One are re-alleged and incorporated here.
2. From on or about May 12, 2009, to on or about July 9, 2009, in the Eastern District of Pennsylvania, and elsewhere, defendant

### **CHARLENE LEAK**

knowingly executed, and attempted to execute, and aided and abetted the execution of, a scheme to defraud Wachovia Bank, Sovereign Bank, American Heritage Federal Credit Union, and TD Bank, and to obtain monies owned by and under the care, custody, and control of Wachovia Bank, Sovereign Bank, American Heritage Federal Credit Union, and TD Bank, by means of false and fraudulent pretenses, representations, and promises.

### THE SCHEME

It was part of the scheme that:

3. Overt Acts 1 through 18 of Count One are re-alleged and incorporated here.
4. On or about May 19, 2009, Phillip Eric Weems and defendant CHARLENE LEAK caused an application for the registration of Leak Enterprises to be sent by United States mail to the State of Pennsylvania's Corporation Bureau of the Department of State.
5. On or about June 25, 2009, Phillip Eric Weems and defendant CHARLENE LEAK opened a checking account at Wachovia Bank, account ending in 8456, for Leak Enterprises.
6. On or about July 7, 2009, after Wachovia Bank issued checks for the near empty Leak Enterprises account, a runner for the scheme unknown to the grand jury deposited a

Leak Enterprises check in the approximate amount of \$91,634.17 into the Tri-State Payroll Services account at Sovereign Bank.

7. In furtherance of the scheme, defendant CHARLENE LEAK also opened personal accounts at American Heritage Federal Credit Union and TD Bank.

8. On or about July 6, 2009, defendant CHARLENE LEAK deposited into her personal American Heritage Federal Credit Union account a Tri-State Payroll Services check in the approximate amount of \$2,341.04.

9. On or about July 8, 2009, defendant CHARLENE LEAK deposited into her Leak Enterprises Wachovia Bank account a Tri-State Payroll Services check in the approximate amount of \$192,547.10.

10. On or about July 8, 2009, defendant CHARLENE LEAK deposited into her personal TD Bank account two Tri-State Payroll Services checks totaling, approximately, \$30,349.54.

All in violation of Title 18, United States Code, Sections 1344 and 2.

**A TRUE BILL:**

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**GRAND JURY FOREPERSON**

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**ZANE DAVID MEMEGER  
UNITED STATES ATTORNEY**