

U.S. Attorney's Office Southern District of Illinois

A. Courtney Cox, U.S. Attorney
August 2008



A Message from the U.S. Attorney

The Scott Campbell, Stephanie Roper, Wendy Preston, Louarna Gillis, and Nila Lynn Crime Victims' Rights Act grants crime victims specified rights, including:

(1) The right to be reasonably protected from the accused.

(2) The right to reasonable, accurate, and timely notice of any public court proceeding or any parole proceeding involving the crime, or of any release or escape of the accused.

(3) The right not to be excluded from any such public court proceeding, unless the court, after receiving clear and convincing evidence, determines that testimony by the victim would be materially altered if the victim heard other testimony at that proceeding.

(4) The right to be reasonably heard at any public proceeding in the district court involving release, plea, sentencing, or any parole proceeding.

(5) The reasonable right to confer with the attorney for the government in the case.

(6) The right to full and timely restitution as provided in law.

(7) The right to proceedings free from unreasonable delay.

(8) The right to be treated with fairness and with respect for the victim's dignity and privacy.

For purposes of the Act, a victim is "a person directly and proximately harmed as a result of the commission of a federal offense or an offense in the District of Columbia."

Protecting the rights of victims is important to our office. Julie Swanston is the Victim-Witness Coordinator in our office. She works hard to make sure that victims are afforded the rights provided to them by law. In addition, the Assistant United States Attorneys and their staff are equally vigilant about victims' rights.

Where possible, all victim information and notifications in criminal cases that have been accepted for prosecution from federal investigative agencies are made available (in both English and Spanish) by means of the Department of Justice's Victim Notification System (VNS). This system is a cooperative effort between the Federal Bureau of Investigation, the U.S. Postal Inspection Service, the U.S. Attorney's Offices, the Federal Bureau of Prisons, and the Criminal Division. The system provides federal crime victims with information on scheduled court events, as well as the outcome of those court events. It also provides victims with information on the offender's custody status and release.

If you have any questions about victims' rights, please let me know. Further information can be found on the website of the Department of Justice's Office for Victims of Crime at <http://www.ojp.gov/ovc/welcome.html>.

A. Courtney Cox

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<http://www.usdoj.gov/usao/il/index.html>

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Intelligence Advisory ***Anti-Terrorism Advisory Council***

Government officials have been quietly stepping up counter-terror efforts out of a growing concern that al Qaeda or similar organizations might try to capitalize on the spate of extremely high-profile events in the coming months. Security experts point to next month's Olympics as evidence that high-profile events attract threats of terrorism, like the one issued this past weekend by a Chinese Muslim minority group that warned of its intent to attack the games. Anti-terror officials in the U.S. cite this summer and fall's lineup of two major political parties' conventions, November's general election and months of transition into a new presidential administration as cause for heightened awareness and action.

This is why the Department of Homeland Security is quietly declaring a Period of Heightened Alert, or POHA, a time frame when terrorists may have more incentive to attack. According to drafts of government memos, the period would run roughly from this August through July 2009. During this time, homeland security ana-

lysts will be asked to redouble efforts to study terrorism leads. And a number of agencies will be asked to review emergency response plans to a variety of attacks, from improvised explosive devices (IEDs) to biological weapons. Officials also are being asked to make sure they are prepared for all contingencies during the transition from the Bush administration to that of the next president. At the moment, the nation's public threat level will remain at yellow, or "elevated," but not orange, or "high." While there is no specific threat, the U.S. government is stepping up anti-terror efforts in advance of numerous large-scale events that could draw the attention of terrorists. Government officials point to the Sept. 11 attacks, which happened just nine months into a new administration, and the Madrid train bombings, which were carried out just three days before Spain's 2004 general election. They say history suggests a need to take potential threats seriously -- especially in the very near future.

Source: [Washington Times](#) and [ABC News](#)

Major upcoming events vulnerable to terror attacks

A timeline of major upcoming events that could be attractive targets for terrorists:

Aug. 8-24 Olympics in Beijing

Aug. 25-29 Democratic National Convention in Denver

Sept. 1-5 Republican National Convention in St. Paul, Minn.

Nov. 4 U.S. presidential election

Jan. 20, 2009 Inauguration in Washington, D.C., and official transition to new administration

<http://www.washingtontimes.com/news/2008/jul/28/major-upcoming-events-vulnerable-to-terror-attacks/>

**AUSA GEORGE NORWOOD
NAMED CHIEF OF CRIMINAL DIVISION**

On August 20, 2008, United States Attorney Cox announced that he had named Assistant United States Attorney George Norwood Chief of the Criminal Division. George has been an Assistant United States Attorney since August 1998. His prior experience included serving for two years as a law clerk for a federal district court judge and three years at a law firm in Indianapolis, Indianapolis. He graduated from Southern Illinois University School of Law in 1992. He has been in the Benton office since joining the office in 1998. However, as Criminal Chief, his primary office will be in Fairview Heights.



United States Attorney Cox named Assistant United States Attorney George Norwood as Chief of the Criminal Division.

LECC Activities

By Ron Shownes, Law Enforcement Coordinator (LEC)

Here is information about events we are planning for the future. We have scheduled a one-day “cyber crime” conference at John A. Logan College on October 15, 2008. We are hoping to reach about 300 persons with this conference. Proposed topics include: -National Center for Missing and Exploited Children; sex offender registration and sex crimes; cyber scams ; laws and current legislation; identity theft; cyber bullying; bank-related fraud; cell phone issues; copyrights and piracy; and educational resources for parents and teachers.

We are conducting a training session on communication skills to maximize the law enforcement contact for the law enforcement agencies in Alexander County on August 21, 2008, at the Alexander Court House.

On September 10 to 12, 2008, there will be a “Protect our Children Conference.” The conference will focus on a wide range of topics dealing with child sexual abuse, on-line enticement, and child pornography. It will feature national and local experts in these areas. This is the 5th annual conference, previously hosted in Wichita, KS, Kansas City, MO. and St. Louis, MO.

This year, the USAO for the District of Nebraska is hosting the conference in Omaha, NE, at the Doubletree Guest Suites on September 10-12, 2008. More than 300 professionals attend this conference each year, so please make your reservations early. Phone: 402-397-5141 http://doubletree1.hilton.com/en_US/dt/hotel/OMASCDT-Doubletree-Guest-Suites-Omaha-Nebraska/index.do

On another note, from August 26 to 28, 2008, I will attend the National Advocacy Center and be involved in a program that will bring together PSN and Anti-Gang Coordinators from every USAO, as well as LEC Coordinators who are active in the violent crime initiatives in their district.

I was also at the Illinois Sheriffs’ Association Summer Conference in Effingham, Illinois , from August 3 to August 5. I made a presentation at the Illinois Sheriffs’ Southern Zone meeting on behalf of the USAO.

OPERATION SAFE KIDS

The following is a letter sent by United States Attorney Cox about Operation Safe Kids at the DuQuoin State Fair this year on August 22 and August 23, 2008. This program is designed to fingerprint children using the Livescan Child ID System. This is a great opportunity to help us help our kids. Please let your family and friends know about this program. If you would like to help, please contact IRS Special Agent Kim Singer at 618-622-2162.

Dear Volunteer:

Operation Safe Kids fingerprinting events will be held at the Illinois State Fair at DuQuoin on Friday, August 22nd from 4pm - 8pm and Saturday, August 23rd from 1pm - 4pm in the Illinois State Police Safety Education Tent. We are seeking volunteers from all federal agencies in our area to supplement the state, county, and local law enforcement that have volunteered their services. We need your help to make this important event a success.

The fingerprinting events are being planned by a committee of representatives from the United States Secret Service, the Internal Revenue Service, Criminal Investigation Division, United States Attorney's Office, and various local and state law enforcement agencies, in partnership with the National Center for Missing and Exploited Children.

The Livescan Child ID system, provided by the Secret Service, is a portable children's identification system which produces a biographical document containing a photograph, digitized, inkless fingerprints and vital identification information. Parents receive the document for safekeeping, in the event of a child abduction or disappearance.

Please consider distributing this request throughout your agency, and endorsing it as an outreach event. We are also interested in any agency trinkets or safety brochures to hand out to the children and their parents.

Interested volunteers can contact IRS Special Agent Kim Singer at 618-622-2162 or at kimberly.singer@ci.irs.gov. Please ask volunteers to contact us by August 13, 2008, to allow time to coordinate the effort.

This event is the second phase of Operation Safe Kids 2008. Our first phase in May 2008 was extremely successful in the Metro East area and we were able to fingerprint 750 children over two days, thanks to the support and effort of local, county, state, and federal law enforcement. Please consider volunteering again and making this event a success too. Thank you for your consideration of this worthy event. This is an opportunity to continue to assist parents in protecting our children.

Very truly yours,

A. Courtney Cox

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United States Attorney

LECC Activities, continued

On June 19, 2008, the USAO sponsored a program on the Von Maur Mall shooting that took place on December 5, 2007, in Omaha, Nebraska, where nine persons were killed. This program was part of the Critical Incident Response Initiative we have partnered with county, state, and local law enforcement. United States Attorney Cox made opening remarks. The presenters were Detective Todd Kozelichki, who was on the scene the day of the shooting, and Sgt. Teresa Negon, who acted as the Public Information Officer during the investigation and after the shooting.



Sgt. Teresa Negon, Omaha, Nebraska Police Department Public Information Officer at the time of the shooting



Detective Todd Kozelichki of the Omaha, Nebraska Police Department, Lead Homicide Investigator for the mall shooting

The USAO awarded an Anti-Gangs Grant to the Illinois State Police to combat gang issues in the Metro area. Part of that grant provided a Youth Camp for 53 youths from the Metro area. The following are photos from the graduation ceremony held on July 19, 2008, at the ISP, in Springfield, Illinois.



ACCOMPLISHMENTS

On July 16, 2008, Warren F. Long, Assistant Special Agent in Charge, United States Postal Service, Office of Inspector General, St. Louis Field Office, presented Assistant United States Attorney Suzanne Garrison with an award in appreciation of her dedication and support of the Office of Inspector General's mission to preserve America's trust in the United States Postal Service. Also included in the photo are Special Agents Joseph A. Becker and Kevin M. Cloninger, who were case agents in several matters prosecuted by Assistant United States Attorney Garrison which involved theft and misconduct by employees of the United States Postal Service.



R. Adrienne Smith, a legal assistant in the Financial Litigation Unit in the Civil Division of the USAO, recently had an article published in "Debtbeat." "Debtbeat" is a newsletter published by the Executive Office for United States Attorneys in Washington, D.C., to U.S. Attorney's Offices throughout the country on financial issues important to the United States.

Ms. Smith's article, entitled "Collecting from Debtors in State Prisons," described an innovative way to collect money owed to the United States and victims from inmates incarcerated in state prisons.

Congratulations to Adrienne on the publication of her article.

RECENT NOTEWORTHY CASES

FIREARMS

[ANTHONY R. WISE](#), age 24, of Madison, Illinois, was sentenced on July 10, 2008, to serve ten years' imprisonment for his conviction of being a felon in possession of a firearm. The sentence imposed was the maximum imprisonment allowed under federal law. The court also imposed a fine of \$750 and ordered the defendant to serve three years of supervised release following his release from prison.

WISE entered a plea of guilty to that offense on February 28, 2008. At the time he entered his plea, **WISE** agreed that during the late evening of January 28, 2007, he was present in Venice, Illinois, at the apartment of his ex-girlfriend. Also present in the apartment were his ex-girlfriend's two-year-old daughter, four-year-old nephew, and two-year-old niece.

Later that evening, while **WISE** and his ex-girlfriend were in a rear bedroom of the apartment, the four-year-old boy located a loaded .38 caliber firearm that **WISE** had left unsecured in the living room of the apartment. The four-year-old boy accidentally shot his two-year-old cousin in the head, which ultimately led to her death.

Following his arrest, **WISE** gave a post-arrest statement in which he admitted to storing the firearm in the apartment in the past and that about two days before the two-year-old victim was shot, putting the gun near the computer in the living room of the apartment, leaving the gun completely unsecured. **WISE** stated that he knew that a child resided in the apartment and that the location he left the firearm was not a good place to leave a gun.

The investigation was conducted by members of the Illinois State Police and the Bureau of

Alcohol, Tobacco, Firearms and Explosives. The case was prosecuted by Assistant United States Attorney James E. Crowe III.

On July 14, 2008, [MACK SMITH](#), age 26, of Centreville, Illinois, was sentenced in the United States District Court in East St. Louis for the possession of a firearm by a previously convicted felon. **SMITH** pled guilty to the offense on March 27, 2008. **SMITH** received 85 months of imprisonment, three years of supervised release, fined \$375, and ordered to pay a \$100 special assessment.

The violation occurred on March 12, 2007, when **SMITH** shot another individual in East St. Louis, Illinois. According to evidence presented at the sentencing hearing, after the individual identified **SMITH** as the shooter, law enforcement officers arrested **SMITH** at a relative's residence. A search of the room in which **SMITH** had been staying revealed two firearms underneath a mattress. In a videotaped statement to law enforcement officers after his arrest, **SMITH** admitted shooting the individual, as well as the possession of the two guns recovered from his relative's residence.

The investigation was conducted by the East St. Louis Police Department, the St. Clair County Sheriff's Department, and the Bureau of Alcohol, Tobacco, Firearms, and Explosives, in cooperation with the St. Clair County State's Attorney's Office, as part of those agencies' participation in Project Safe Neighborhoods, a nation-wide initiative intended to combat gun and drug crimes. The case was handled by Assistant United States Attorney Angela Scott.

Recent Noteworthy Cases, continued

On July 21, 2008, [LAVERRANCE WEST](#), age 29, of East St. Louis, Illinois, was sentenced in the United States District Court in East St. Louis for the possession of a firearm by a felon. **WEST** pled guilty to the offense on April 7, 2008. **WEST** received 120 months of imprisonment, three years of supervised release, fined \$300, and ordered to pay a \$100 special assessment.

The violation occurred on August 30, 2007, when **WEST**, a previously convicted felon, possessed a firearm during an armed robbery.

The investigation was conducted by the East St. Louis Police Department and the Bureau of Alcohol, Tobacco, Firearms, and Explosives, in cooperation with the St. Clair County State's Attorney's Office, as part of those agencies' participation in Project Safe Neighborhoods, a nationwide initiative intended to combat gun and drug crimes. The case was handled by Assistant United States Attorney Angela Scott.

On August 11, 2008, [WILLIAM M. ABNEY](#), age 25, of Pontoon Beach, Illinois, was sentenced in the United States District Court in East St. Louis for the possession of a firearm by a previously convicted felon. **ABNEY** was sentenced to 62 months of imprisonment, three years of supervised release, and ordered to pay a \$100 special assessment. The defendant had previously entered pleas of guilty on April 30, 2008.

The investigation was conducted by the Pontoon Beach Police Department and the Bureau of Alcohol, Tobacco, Firearms, and Explosives, in cooperation with the Madison County State's Attorney's Office, as part of those agencies' participation in Project Safe Neighborhoods, a nationwide initiative intended to combat gun and drug crimes. The case was prosecuted by

Assistant United States Attorney Angela Scott.

ATTEMPTING TO ENTICE MINOR TO ENGAGE IN SEXUAL ACTIVITY

[BRIAN MICHAEL GREEN](#), age 34, of O'Fallon, Missouri, was sentenced in the United States District Court in East St. Louis on July 14, 2008, to 121 months' imprisonment for using the internet to attempt to persuade, induce, or entice a minor under the age of 16 to engage in sexual activity with him. **GREEN** was a police officer in Wright City, Missouri, at the time of the offense, and the minor was a resident of the Southern District of Illinois.

Under federal law, parole has been abolished meaning that **GREEN** will be required to serve a minimum of 85 percent of his sentence.

The offense occurred on July 15, 2007. **GREEN** pled guilty to the charge on March 28, 2008. Evidence supporting the guilty plea and sentence showed that on July 22, 2007, the defendant traveled from Missouri to Illinois and met with a minor female at 10 p.m. at St. Ellen Mine Park, located in O'Fallon, where he was arrested by agents of the Federal Bureau of Investigation and officers of the O'Fallon Police Department. Investigation further revealed that **GREEN** had numerous contacts via the internet with the minor prior to that date during which he arranged to meet with the minor and attempted to persuade, induce and entice the minor to engage in sexual activity with him when they met.

GREEN's sentence was enhanced for abusing his position of trust as a police officer and for targeting a vulnerable victim.

In addition to the term of imprisonment, **GREEN** was also ordered to pay fines and special

Recent Noteworthy Cases, continued

assessments totaling \$975 and was placed on a ten-year term of supervised release to follow his incarceration. **GREEN** was taken into custody immediately following the imposition of sentence.

As a part his guilty plea, additional counts against **GREEN** were dismissed. Under federal sentencing law, the dismissal of those counts had no effect on the sentence that was imposed.

The investigation into this case was conducted by the Federal Bureau of Investigation and the O'Fallon, Illinois, Police Department. The case was prosecuted by Assistant United States Attorneys Michael C. Carr and James M. Cutchin.

ARMED BANK ROBBERY

On July 17, 2008, [RODNEY MESSIC](#), age 56, of Evansville, Indiana, entered guilty pleas to two counts of armed bank robbery and two counts of brandishing a firearm during a crime of violence. The offenses occurred on July 20, 2006, at the First Neighbor Bank in Casey, Illinois, and on August 23, 2006, at the Elkhville State Bank in Elkhville, Illinois. Each armed bank robbery offense carries a penalty of up to 25 years' imprisonment, a fine of up to \$250,000, and a term of five years' supervised release. Each count of brandishing a firearm carries a mandatory minimum sentence of seven years' imprisonment, which must be served consecutive to **MESSIC's** armed bank robbery sentences. Two co-defendants have pled not guilty and are awaiting a September 8, 2008, jury trial.

The investigation was conducted by the Jackson County Sheriff's Office; Murphysboro Police Department; Casey Police Department; Clark County Sheriff's Office; Federal Bureau of Investigation; Bureau of Alcohol, Tobacco, Fire-

arms, and Explosives; and the United States Marshals Service pursuant to their participation in the Project Safe Neighborhoods Initiative. The Owensboro, Kentucky, Police Department, and McCracken County Sheriff's Department also participated in the investigation. The case is being prosecuted by Assistant United States Attorney Amanda A. Robertson.

METHAMPHETAMINE

On July 17, 2008, [NIKOLA J. VOJVODICH](#), age 50, of Marion, Illinois, was sentenced in the United States District Court in Benton. **VOJVODICH**, who had previously pled guilty to a one-count indictment charging him with conspiracy to manufacture methamphetamine, was sentenced to 120 months' imprisonment, five years' supervised release, and was fined \$600.

The investigation established that from at least January 2006 through May 30, 2007, **VOJVODICH** and others were involved in the manufacture of methamphetamine in Williamson County. One co-defendant has pled guilty and is awaiting sentencing.

The investigation was conducted by the Illinois State Police Methamphetamine Response Team, Williamson County Sheriff's Office and Drug Enforcement Administration. The case was prosecuted by Assistant United States Attorney Amanda A. Robertson.

On July 8, 2008, [DALE BRYANT](#), age 41, of Murphysboro, Illinois, was indicted by a federal grand jury sitting in Benton in a one-count fifth superseding indictment charging him with conspiracy to manufacture 50 grams or more of methamphetamine. The violation is alleged to

Recent Noteworthy Cases, continued

have taken place between October 2005, and May 14, 2007, in Jackson, Williamson, and Perry Counties. The superseding indictment was unsealed on July 17, 2008, and **BRYANT** is being detained pending a July 21, 2008, bond hearing.

The offense carries a penalty of between five and 40 years' imprisonment, a fine of up to \$2 million, and a term of four years' supervised release. Seven co-defendants have already been sentenced for their role in the methamphetamine conspiracy. One co-defendant has pled guilty and is awaiting sentencing. Two co-defendants have pled not guilty and are awaiting a September 15, 2008, trial date.

The investigation was conducted by the Jackson County Sheriff's Office, Murphysboro Police Department, United States Marshals Service and Drug Enforcement Administration pursuant to their participation in the Jackson County Project Safe Neighborhoods Initiative. The case is assigned to Assistant United States Attorney Amanda A. Robertson for prosecution.

[CARLA J. PERRY](#), age 52, of Shawneetown, Illinois, was sentenced on July 25, 2008, in the United States District Court in East St. Louis to a term of 292 months' imprisonment for her role in a methamphetamine manufacturing and distribution conspiracy centered in Gallatin County. **PERRY** was charged in October 2007 by a federal grand jury with two counts of conspiring to manufacture and distribute methamphetamine and one count of possessing equipment and chemicals for use in manufacturing methamphetamine. **PERRY** pled guilty to all three charges on April 14, 2008.

Under federal law, parole has been abolished, meaning that **PERRY** will be required to

serve at least 85 percent of the term of imprisonment imposed.

Evidence presented in open court to support **PERRY's** guilty plea and sentence showed that she became involved with several other individuals between January 2003 and October 2007 in a scheme to manufacture over ten kilograms of methamphetamine in southeastern Illinois and northwestern Kentucky. **PERRY** assisted in the conspiracy by obtaining the ingredients necessary to "cook" the methamphetamine and then providing those ingredients to others who would actually perform the manufacturing process. **PERRY** also assisted in distributing the methamphetamine produced by the conspirators.

In addition to the term of imprisonment, **PERRY** was also ordered to pay a fine and special assessments totaling \$1,300 and was placed on a term of supervised release of five years to follow her incarceration.

Investigation into the case was led by the Carmi office of the Southern Illinois Drug Task Force with the assistance of the Illinois State Police, the Shawneetown Police Department, the Gallatin County State's Attorney's Office, the Gallatin County Sheriff's Department, the Harrisburg Police Department, the Saline County State's Attorney's Office, the United States Attorney's Office, and the United States Drug Enforcement Administration. The case was prosecuted by Assistant United States Attorney James M. Cutchin.

On July 18, 2008, [JAMES T. KINCANNON](#), age 77, of Fairmont City, Illinois, was sentenced to 30 years' imprisonment for distribution of methamphetamine and conspiracy to distribute methamphetamine.

Recent Noteworthy Cases, continued

On March 26, 2008, following a trial in the United States District Court in East St. Louis, a jury found **KINCANNON** guilty of both offenses.

Before sentencing **KINCANNON**, the court found him to be a "career offender," based on two previous convictions for distributing controlled substances.

KINCANNON and two co-defendants distributed large quantities of methamphetamine in and around Fairmont City in early 2007. **KINCANNON** has been incarcerated since his arrest on May 3, 2007.

The investigation which led to the conviction of **KINCANNON** and two others was conducted by special agents and task force officers assigned to the Drug Enforcement Administration office in Fairview Heights, Illinois, and by officers from the Fairmont City Police Department. The case was prosecuted by Assistant United States Attorney Robert L. Garrison.

On July 25, 2008, **THOMAS E. WILKERSON**, age 46, of Shobonier, Illinois, **DAVID M. FICKES**, age 39, of Effingham, Illinois, **DAVID M. MURRAY**, age 55, of Ramsey, Illinois, **DONALD R. SCHULTZ**, age 52, **BILLY D. YORK**, age 49, and **WESLEY D. CONNER**, age 44, all of Vandalia, Illinois, were indicted by a federal grand jury sitting in East St. Louis in a superseding indictment charging them with conspiracy to manufacture, distribute and possess with intent to distribute methamphetamine in excess of 500 grams (count 1). **THOMAS E. WILKERSON** was also charged in count 2 of the superseding indictment with possession of chemicals and products with the intention to manufacture methamphetamine. The superseding indictment was initially suppressed, but has since been unsealed.

The original indictment in this case was returned on June 20, 2007.

According to the Indictment, the conspiracy operated in and around Fayette, Clinton, and Madison Counties, and elsewhere in the Southern District of Illinois, from approximately May 2004 through November 2006. The penalties applicable to the conspiracy charge are not less than ten years' imprisonment up to life imprisonment, a \$4 million fine, or both, five years' supervised release to follow incarceration, and a \$100 special assessment. The penalty applicable to count 2 is up to 20 years' imprisonment, a \$250,000 fine, or both, up to three years' supervised release, and a \$100 special assessment.

This ongoing investigation into methamphetamine manufacturing activity in and around Fayette County, Illinois, is being conducted by the Fayette County Sheriff's Office and the Drug Enforcement Administration, and other local law enforcement agencies in cooperation with Fayette County State's Attorney Stephen Friedel. The ongoing investigation is conducted as part of the Project Safe Neighborhoods DRAGUN Team Initiative, a cooperative effort of local, state and federal law enforcement, and state and federal prosecuting authorities, aimed at ridding communities of illegal drugs and guns. The case is being prosecuted by Assistant United States Attorney Kit Morrissey.

CRACK COCAINE

On July 8, 2008, **FREDDIE E. PAYNE**, age 29, of Murphysboro, Illinois, was indicted by a federal grand jury sitting in Benton, Illinois, in a one-count indictment, charging him with unlawful distribution of crack cocaine. The violation is alleged to have taken place on October 6, 2006,

Recent Noteworthy Cases, continued

in Murphysboro, Illinois. **PAYNE** is scheduled to make his first court appearance on July 30, 2008.

The offense carries a penalty of between five and 40 years' imprisonment, a fine of up to \$2 million, and a term of at least four years' supervised release.

The investigation was conducted by the Jackson County Sheriff's Office and Murphysboro Police Department pursuant to their participation in the Jackson County Project Safe Neighborhoods Initiative. The case is assigned to Assistant United States Attorney Amanda A. Robertson for prosecution.

On July 18, 2008, a jury in the United States District Court in East St. Louis returned guilty verdicts as to all counts against **TYRONE W. JACKSON**, age 37, and **MADLON S. LADD**, age 27, both of Mt. Vernon. Each defendant was convicted of conspiracy to distribute crack cocaine; distribution of crack cocaine; and possession with intent to distribute crack cocaine. **JACKSON** was convicted of a second count of distribution of crack cocaine, and **LADD** was convicted of an additional count of possession with the intent to distribute crack cocaine.

Sentencing for each defendant has been scheduled for October 27, 2008, in East St. Louis. Both **JACKSON** and **LADD** face a mandatory statutory minimum sentence of five years' imprisonment. Two of the counts of conviction for **JACKSON** carry a maximum sentence of 40 years' imprisonment; the other two carry a maximum of 20 years' imprisonment. Three of the counts of conviction for **LADD** carry a maximum sentence of 40 years; the other carries a maximum of 20 years.

The investigation in this case was a coop-

erative effort between the Joint Narcotics Unit of the Mt. Vernon Police Department and the Jefferson County Sheriff's Department, and the Drug Enforcement Administration, pursuant to their participation in the Project Safe Neighborhoods Initiative. The case was prosecuted by Assistant United States Attorney George Norwood.

On July 25, 2008, a federal judge sitting in East St. Louis, Illinois, sentenced **COURTNEY D. HURT**, age 52, of Tamms, Illinois, to 360 months' imprisonment. **HURT** was previously indicted by a federal grand jury on June 6, 2007, in a one-count indictment, for possession with intent to distribute five grams or more of a mixture and substance containing cocaine base, also known as "crack cocaine," in Alexander County, Illinois. He was convicted by a jury in July 2007 and has been incarcerated, awaiting sentencing since then.

According to evidence presented to the court and jury, the investigation of this case was conducted by the Illinois State Police, the Southern Illinois Drug Task Force and the Drug Enforcement Administration. **HURT** was arrested on April 27, 2007, after officers received a tip that open drug dealing was occurring at the intersection of Trinity Road and Little Bend Road in Sandusky, Illinois, a small village approximately 35 miles south of Carbondale, Illinois.

Upon further investigation, law enforcement officers observed numerous cars drive through the intersection in Sandusky and observed exchanges of what was later determined to be crack cocaine and cash between the occupants of the cars and a person who was running back and forth from a vehicle occupied by **HURT**. The occupants of those cars were stopped by police and searched as they left Sandusky.

Recent Noteworthy Cases, continued

After finding crack cocaine and obtaining statements verifying that it was purchased from the person observed by police officers, **HURT** and that individual were arrested. **HURT** was found by Illinois state troopers to be in possession of 11.3 grams of crack cocaine and 1.3 grams of heroin, which was packaged in ten, one-gram packages and \$265 in cash.

Following his arrest, **HURT** admitted to investigators that he was providing crack cocaine to the individual with him who was selling it to people in cars as they drove through Sandusky. He also identified where he had obtained the crack cocaine and heroin and indicated that he still owed money for a portion of the crack cocaine. However, at his sentencing hearing, **HURT** denied having made any statement to law enforcement and denied that he possessed or distributed any drugs to anyone, despite the jury's verdict in the case.

In imposing the 30-year sentence, the court told **HURT** that "you have proven that you cannot share this planet with the rest of the people who want to be law abiding." In addition to his sentence of 360 months' imprisonment, **HURT** will be required to serve a period of supervised release for eight years following his release from prison. Under federal sentencing laws, a defendant must serve at least 85 percent of his prison sentence before beginning the supervised release program. **HURT** could have been sentenced up to and including life imprisonment, the maximum penalty under the federal law. The case was prosecuted by Assistant United States Attorney Michael C. Carr.

On July 31, 2008, [LARRY D. WILLIAMS](#), age 55, of Carbondale, Illinois, was sentenced in the United States District Court in Benton. **WIL-**

LIAMS who had previously pled guilty to a two-count superseding indictment charging him with conspiracy to distribute more than 50 grams of crack cocaine and unlawful distribution of crack cocaine, was sentenced to 120 months' imprisonment, five years' supervised release, and was fined \$400.

The offense occurred between February 2003 and April 27, 2006, in Jackson and Jefferson Counties, Illinois. Four co-defendants have previously been sentenced to terms of 262 months' imprisonment, 234 months' imprisonment, 215 months' imprisonment, and 204 months' imprisonment, respectively, for their role in the crack cocaine conspiracy. Additionally, three co-defendants have previously received prison terms of 120 months. One co-defendant has pled not guilty and is awaiting a September 22, 2008, jury trial.

The investigation is part of an Organized Crime Drug Enforcement Task Force (OCDEF) operation and is being conducted by the Jackson County Sheriff's Office, Murphysboro Police Department, Drug Enforcement Administration, United States Marshals Service, and Bureau of Alcohol, Tobacco, Firearms, and Explosives. The case is assigned to Assistant United States Attorney Amanda A. Robertson for prosecution.

FRAUDULENT INTERSTATE TRANSACTIONS/SALE OF UNREGISTERED SECURITIES

On July 17, [CARL E. ROYSE](#), of Fairfield, Illinois, and his daughter **JEANETTE RILEY**, of Olney, Illinois, and the corporation they were associated with, **HUGHES ENERGY, INC.**, pled guilty to conspiracy to engage in fraudulent interstate transactions and in the sale of unregistered securities. The individuals each face up to five years'

Recent Noteworthy Cases, continued

imprisonment, a fine of up to \$8 million, mandatory restitution of \$4 million, and upon their release from prison a term of supervised release of up to three years. The corporation faces up to an \$8 million fine, mandatory restitution, and probation of up to five years. Sentencing is scheduled for October 20, 2008.

As part of the plea, the defendants admitted that from approximately July 2003, and continuing until June of 2007, the defendants fraudulently offered and sold oil and gas investments in the form of undivided fractional working interests in well projects to the general public nationwide, which offerings were facilitated by an internet website and a limited number of sales representatives.

The defendants represented via the internet website, printed offering documents, and oral presentations to investors that they employed new techniques of secondary oil and gas recovery, to produce oil and gas from proven properties and to enhance secondary recovery operation from producing properties the defendants already owned. The defendants claimed to investors and prospective investors that these new methods rendered secondary recovery “a very low risk endeavor.”

Information presented to investors further misrepresented defendant **CARL E. ROYSE'S** background, his business experience, his past and present industry success, and the return on investment that could be expected from the investments. Fractional interests were sold to investors, and the investor funds were often not used for drilling the particular promised well projects for which the funds were received. Although the defendants represented that the investors' funds were being used to develop oil properties, the defendants operated a Ponzi

scheme, using new investor funds to pay off old investors. New investor funds were used to make payoffs to complaining investors and were used to make what was represented to oil investors to be oil production payments.

Defendants failed to disclose that defendants **CARL E. ROYSE** and **JEANETTE A. RILEY** and companies they have operated have a history of being the subject of regulatory actions including the present operation by the Securities and Exchange Commission and several states in connection with the fraudulent offering of unregistered securities, and that defendants **ROYSE** and **RILEY** had been permanently enjoined by a federal court in an action filed by the Securities and Exchange Commission in connection with the fraudulent unregistered offering of gas and oil investments.

The charges are the result of an investigation conducted by the Postal Inspection Service and the Illinois Securities Department. The case is being prosecuted by Assistant United States Attorneys Norman Smith and Steven Weinhoef.

CIVIL RIGHTS

On July 24, 2008, [WILLIAM BOWEN](#), age 25, of St. Louis, Missouri, pleaded guilty in federal court to conspiring to violate the civil rights of an African-American couple and their white friend by spray-painting racial threats and epithets on the home where the three victims lived in Collinsville, Illinois. The defendant, who will be sentenced on Oct. 31, 2008, faces a possible maximum sentence of 11 years' imprisonment.

The defendant admitted that he conspired with another person to frighten and intimidate three victims by spray-painting the victims' home with racial threats. The defendant

Recent Noteworthy Cases, continued

admitted that the purpose of the conspiracy was to frighten and intimidate the victims because of their race and to scare them into moving out of the neighborhood where they lived.

BOWEN's co-defendant, Joseph Brown, is scheduled to stand trial later this month on charges of conspiracy, committing a civil rights violation and making a false statement to a federal agent.

"The right of every individual to live peacefully in his or her own home without being terrorized because of race is firmly protected by the laws of the United States," said Grace Chung Becker, Acting Assistant Attorney General for the Civil Rights Division. "The Department of Justice will continue to prosecute vigorously anyone who engages in this kind of criminal conduct."

United States Attorney Cox stated, "In the words of Martin Luther King, Jr., 'True peace is not merely the absence of tension, it is the presence of justice.' The United States Attorney's Office for the Southern District of Illinois will work to ensure that everyone in this District has the right to live anywhere they want without fear of being persecuted because of their race, color, or religion. This Office will vigorously prosecute anyone who endeavors to injure or threaten a person's right to live in peace."

This case was investigated by Special Agent Rick Crouse of the Springfield Office of the FBI and is being prosecuted by Deputy Chief Bobbi Bernstein and Trial Attorney Kevonne Small of the Civil Rights Division of the Department of Justice, and Assistant United States Attorney Angela Scott from the United States Attorney's Office for the Southern District of Illinois.

BANKRUPTCY FRAUD/MAIL FRAUD

On July 23, 2008, the Federal Grand Jury sitting in East St. Louis indicted [KEITH A. GARY](#), age 33, and **STACIE M. GARY**, age 31, of Glen Carbon, Illinois, in a six-count indictment. **KEITH A. GARY** was charged with four counts of bankruptcy fraud. **STACIE M. GARY** was charged with four counts of bankruptcy fraud and a single count of mail fraud. Each count of bankruptcy fraud carries a penalty of up to five years' imprisonment, a fine of up to \$250,000, or both, and up to three years of supervised release. Mail fraud carries a penalty of up to 20 years' imprisonment, a fine of up to \$250,000, or both, and up to three years of supervised release.

Specifically, the indictment alleges that the defendants deliberately concealed information on a pending workers' compensation claim from the United States Bankruptcy Court for the Southern District of Illinois in East St. Louis and the bankruptcy trustee. The indictment also alleges that **STACIE M. GARY** used the United States mails to file false claims for benefits to the Illinois Department of Employment Security during times when she was actually employed.

The United States Attorney emphasized, "Our office will continue to vigorously prosecute violations of the bankruptcy laws in cooperation with the Office of the United States Trustee."

"Concealing assets in a bankruptcy is not only a violation of the law," stated Nancy J. Gargula, United States Trustee for Indiana and the Central and Southern District of Illinois (Region 10), "it also undermines the integrity of the system and the public's confidence in that system."

Evidence supporting the indictment was obtained in an investigation conducted by the Bankruptcy Fraud Working Group for the South-

Recent Noteworthy Cases, continued

ern District of Illinois, which includes representatives of the Office of the United States Attorney; Office of the United States Trustee; the Federal Bureau of Investigation; the Department of Housing and Urban Development; the Internal Revenue Service, Criminal Investigation; and the Postal Inspection Service. The U.S. Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, also participated in this investigation. The case is being handled by Assistant United States Attorney Liam Coonan and Special Assistant United States Attorney Mark D. Skaggs, who is a Trial Attorney with the U.S. Department of Justice's Office of the United States Trustee in Peoria.

On July 25, 2008, [DEANGELA LYNNE DIXON](#), age 49, of Fairview Heights, Illinois, was charged by a federal Grand Jury in East St. Louis, Illinois, with committing a Hurricane Katrina related mail fraud. The indictment alleges that beginning in September, 2005, **DIXON** devised a scheme to defraud the Federal Emergency Management Agency (FEMA) and obtained expedited disaster assistance by falsely claiming that she was displaced by Hurricane Katrina. The indictment alleges that, "At the time New Orleans was devastated, **DEANGELA LYNNE DIXON** was residing well outside of Hurricane Katrina's path in Gary, Indiana."

The penalties for mail fraud are a term of imprisonment of up to 20 years, a fine of up to \$250,000, or both, and a term of supervised release of up to three years.

The United States Attorney's Office for the Southern District of Illinois is a member of the Department of Justice's Hurricane Katrina Fraud Task Force, created in September 2005 by the Attorney General to deter, detect, and prose-

cute disaster-related federal crimes. Headed by Acting Assistant Attorney General Matthew Friedrich of the Criminal Division, the Task Force is comprised of federal, state, and local law enforcement investigating agencies and the United States Attorney's Offices in the Gulf Coast region and nationwide. To date, the Hurricane Katrina Task Force has indicted 892 individuals in 43 judicial districts.

Information for the **DIXON** indictment was obtained in an investigation conducted by the United States Postal Inspection Service. The case is assigned for prosecution to Assistant United States Attorney Suzanne M. Garrison.

MARIJUANA/MONEY LAUNDERING/ESCAPE

On July 25, 2008, a federal jury in East St. Louis, Illinois, convicted [QUAWNTAY ADAMS](#), a/k/a "**Bosco**," age 32, of Lancaster, California, of one count of possession with intent to distribute marijuana, one count of money laundering, and two counts of attempted escape from St. Clair County Jail. On July 14, 2008, immediately prior to the beginning of the trial, **ADAMS** had pled guilty to escape from the Alton Detention Center on May 2, 2006.

Upon sentencing, **ADAMS** faces a mandatory minimum sentence of ten years and a maximum of life, a fine of up to \$4 million and at least eight years' supervised release on the possession with intent to distribute charge. Sentencing is scheduled for October 10, 2008.

The investigation was conducted under the auspices of the Organized Crime Drug Enforcement Task Force. Participating agencies included the Bureau of Immigration and Customs Enforcement and the United States Postal Inspection Service. The case was handled by Assis-

Recent Noteworthy Cases, continued

tant United States Attorney J. Christopher Moore.

On August 1, 2008, [DENO GREEN](#), age 36, of Cahokia, Illinois, entered a plea of guilty to count 1 of the second superseding indictment, charging conspiracy to distribute and possession with intent to distribute marijuana. **DENO GREEN** was then sentenced in the United States District Court in East St. Louis on the conspiracy charge. **DENO GREEN** was sentenced to 57 months of imprisonment, three years of supervised release, fined \$200 and ordered to pay a \$100 special assessment.

GREEN along with ten others were indicted by a federal grand jury in May 2007 with conspiracy to distribute and possess with intent to distribute marijuana. **GREEN** admitted prior to being sentenced to his role in the conspiracy and that he was involved with approximately 800 kilograms or approximately 1,760 pounds of marijuana between 2005 and 2006.

The investigation was conducted under the auspices of the Organized Crime Drug Enforcement Task Force. Participating agencies included the Drug Enforcement Administration and the Illinois State Police. The case was prosecuted by Assistant United States Attorney Daniel T. Kapsak.

ASSISTING AN ESCAPE

[TONYA GOODWIN](#), age 45, of Warrenton, Missouri, was sentenced on July 25, 2008, to two years' probation, a \$100 fine, and a \$100 special assessment. She had previously pled guilty on December 18, 2006, to assisting an escape in connection with the escape of Quawntay Adams

from the Alton Jail on May 2, 2006.

Information for the indictment was obtained in an investigation conducted by the United States Marshals Service. The case was prosecuted by Assistant United States Attorney Jennifer Hudson.

TELEMARKETING

Two men were sentenced in the United States District Court in East St. Louis in connection with an international telemarketing scam. [DAVID F. DALGLISH](#), age 53, of Toronto, Canada, was sentenced on July 28 to a term of 235 months' imprisonment and five years of supervised release. **DALGLISH** had previously pled guilty to conspiracy, five counts of mail fraud, and 18 counts of wire fraud on February 27, 2008. Co-conspirator **LESLIE C. ANDERSON**, age 56, also of Toronto, Canada, was convicted of the same offenses following a six-day jury trial which commenced on March 20, 2008. **ANDERSON** was sentenced on July 29 to a term of 280 months' imprisonment and five years of supervised release. **DALGLISH** and **ANDERSON** were also ordered to make restitution to victims totaling \$5,558,392.21.

DALGLISH and **ANDERSON** were sentenced for their roles in a multi-million dollar telemarketing scam they and others operated in Toronto under the name of "First Capital Consumers Group." According to evidence presented at the time of the plea, trial, and sentencing, the scam targeted United States residents with credit problems and promised them a credit card for an advanced fee of between \$189 and \$219. Defendants collected the fees from consumers through an electronic debit against the consumer's bank account. No consumer re-

Recent Noteworthy Cases, continued

ceived a credit card as a result of the defendants' efforts.

Approximately 40,000 victims paid the defendants and their co-conspirators \$4 million in fees. At the height of its operation, the defendants had 250 telemarketers in a half dozen offices around Toronto simultaneously making telemarketing calls to United States residents. Based upon testimony at the trial of Leslie Anderson, the government estimates that defendants' telemarketers made calls to as many as 4 million Americans, or one out of every 55 adults in the United States, in their efforts to bilk American consumers with credit problems.

United States Attorney Cox urged law-abiding citizens to be alert to attempts to defraud them and to report suspected cases of illegal fraudulent activity to the authorities. He emphasized that, "The United States Attorney's Office will do everything in its power to vigorously prosecute all who prey upon the citizens of the Southern District of Illinois by engaging in fraudulent behavior in violation of federal law."

"You should never be required to pay an upfront fee for a loan or credit application," said Postal Inspector J.R. Ball. He added, "It is easy for scammers to create an official sounding company name, so you need to carefully check out an offer before sending money."

Charges were originally brought by the Department of Justice of Canada against the accused. Those charges arose out of an investigation by the Competition Bureau Canada and was part of a larger effort by law enforcement and regulatory agencies in Canada and the United States to address cross-border fraud. Those charges were stayed at the request of the Canadian government after the United States government made a formal request for defendants' ex-

tradition.

The criminal charges in the United States were brought after additional investigation by the United States Postal Inspection Service in St. Louis with substantial assistance from the Federal Trade Commission in Chicago. The Postal Inspection Service, the Federal Trade Commission and the Competition Bureau Canada are all members of the Toronto Strategic Partnership which also includes the Ontario Provincial Police, the Toronto Police Service, the Ontario Ministry of Government Services, the Royal Canadian Mounted Police, the York Regional Police Service, and other agencies.

The Toronto Strategic Partnership was formed to address fraudulent cross-border telemarketing scams involving the United States and Canada. In addition to the criminal charges in the United States and Canada, the Federal Trade Commission in Chicago brought a civil enforcement action in the United States District Court for the Northern District of Illinois against the defendants, First Capital, and related entities.

Defendants were extradited by the Canadian government to the United States in late 2007 after four years of legal proceedings in Canada relating to extradition. Defendant's extradition occurred after the Supreme Court of Canada refused to overturn decisions by other Canadian courts ordering defendants extradited.

The sentencing of co-conspirator Lloyd Prudenza is set for October 1, 2008.

The cases were prosecuted by Assistant United States Attorney Bruce Reppert.

[STEVEN WINTER](#), age 38, and **SEAN McVICAR**, age 34, of Toronto, Canada, surrendered on

Recent Noteworthy Cases, continued

July 31, 2008, to United States authorities and pled guilty to two counts of an indictment returned by a federal grand jury on October 2, 2007. The defendants entered pleas of guilty to one count of conspiracy to commit mail fraud and wire fraud and one count of mail fraud. Each count carries a maximum penalty of ten years' imprisonment, a fine of \$250,000, and three years' supervised release. The indictment followed the filing of a criminal complaint against the men on August 17, 2004.

WINTER and **McVICAR** were taken into custody by United States Postal Inspectors after a flight from Toronto to St. Louis. Both men surrendered to resolve extradition proceedings that were commenced against them by the Canadian government.

The indictment alleged that defendants operated a fraudulent telemarketing scheme from the greater Toronto, Ontario, Canada metropolitan area, targeting residents of the United States (1) by falsely representing that they were in a legitimate business of providing credit card protection services and (2) by falsely representing that they would provide MasterCard and Visa credit cards to individuals with poor credit.

Evidence presented to the court in support of the pleas showed that the defendants collected fees ranging between \$149 and \$400 from tens of thousands of U.S. consumers, processing approximately \$10 million in credit card and electronic check charges against consumer accounts. The indictment alleged that they used high pressure sales tactics to close sales on their credit card protection scheme, in part by telling consumers that all credit card holders were required by the credit card companies to have credit card protection in order to keep their credit cards active.

In connection with their advance fee credit card scheme, the defendants used coercive closing methods to bilk people with poor credit in part by misleading many consumers to believe that unless the consumer paid a roughly \$200 "processing fee" to defendants for a credit card, that the consumer's credit history would be "red flagged" and the consumer would never be able to receive another credit card. Neither Visa nor MasterCard authorized defendants to market credit cards on their behalf.

From November 1999 through sometime in 2004, **WINTER** and **McVICAR** and their associates defrauded at least 37,000 individuals in the United States out of approximately \$10,450,000. The indictment alleges that they made between 925,000 and 1,850,000 telemarketing calls to the United States during the course of their scheme.

The case was investigated in Canada by the Barrie Ontario Police Service and the Ontario Provincial Police, and in the United States by the United States Postal Inspection Service in St. Louis with substantial assistance from the Federal Trade Commission in Chicago.

The case is being handled by Assistant United States Attorney Bruce Reppert.

PREPARATION OF FALSE FEDERAL INCOME TAX RETURNS

On July 29, 2008, [LUVINA KIDD](#), age 49, of East St. Louis, Illinois, was sentenced to 27 months' imprisonment, followed by one year of supervised release for her convictions on 16 counts of aiding and assisting in the preparation of false federal income tax returns. **KIDD** was additionally ordered to pay restitution to the Internal Revenue Service in the amount of \$104,357.

Recent Noteworthy Cases, continued

KIDD had entered guilty pleas to the offenses on March 21, 2008.

According to evidence submitted to the court in support of the pleas and sentencing, **KIDD** held herself out as a professional tax preparer in the Alorton/East St. Louis area and operated "Excellence Income Tax Service." **KIDD** solicited low-income taxpayers who had little knowledge of the federal tax laws by promising large tax refunds from the Internal Revenue Service. **KIDD** admitted as part of the plea that she aided and assisted in the preparation of false returns that created large refunds by creating and falsifying her clients' dependents, income sources, income amounts, tax credits, deductions and expenses and sometimes fabricated material items of her clients' tax returns without their knowledge.

The successful prosecution is the result of an investigation conducted by the Internal Revenue Service Criminal Investigation. The case was prosecuted by Assistant United States Attorney Norman Smith.

CONCEALMENT OF MATERIAL INFORMATION/MAKING FALSE STATEMENTS

On August 4, 2008, [RANDALL B. TIMMONS](#), age 45 of Waterloo, Illinois, was sentenced to serve a ten-month term of imprisonment following his convictions for concealment of material information from the Social Security Administration and making false statements to the Department of Veterans Affairs (VA).

According to a factual stipulation filed at the time of **TIMMONS'** guilty plea on March 21, 2008, **TIMMONS** served in the United States Air Force for 11 months in 1983. While moving volleyball equipment, **TIMMONS** sustained a service

connected back injury and shortly thereafter was discharged from the Air Force. In 1984, **TIMMONS** applied for disability benefits from the VA.

The VA began paying **TIMMONS** benefits in 1984, initially at the 20-percent rate. By April 2000, following back surgery, **TIMMONS** received VA benefits at the 60-percent level and he requested benefits at the 100-percent level based on individual unemployability. By June 2000, **TIMMONS** began receiving VA benefits at the 100-percent level. In June 2000, and in May 2001, **TIMMONS** had spinal fusions, and in July 2001, **TIMMONS** applied for, and received, Title II disability benefits from the Social Security Administration (SSA).

In approximately October 2001, **TIMMONS'** medical condition improved such that he was able to return to work. Beginning in or about October 2001, and continuing until in or about November 2004, **TIMMONS** failed to disclose medical improvement to the SSA because he knew that if he reported improvement in his medical condition his benefits could cease. Documents **TIMMONS** submitted to the SSA in December 2003 falsely indicated that it was basically impossible for him to drive or ride in a car, that he was not able to walk very much, that he used a cane, and that someone else shopped for him.

The VA and the SSA conducted surveillance of **TIMMONS** in June and October of 2004. Agents watched **TIMMONS** drive, walk without a cane, do his own shopping, and do yard work for several hours.

On November 4, 2004, the VA arranged for **TIMMONS** to be examined by a neurologist. **TIMMONS** was placed under surveillance prior to the examination and was observed driving and

Recent Noteworthy Cases, continued

walking without a cane. Once reporting for examination, **TIMMONS** arrived walking with a cane, and in the words of the VA neurologist, "presented himself as if in agony." **TIMMONS** falsely told the VA neurologist that he was unable to work, that he could only drive very short distances, that he could climb three to four steps only while holding onto a rail while pulling himself up, and that he could remain on his feet only 30 to 45 minutes without lying down.

Following release from imprisonment, **TIMMONS** will be on supervised release for three years and he will be required to make restitution payments totaling approximately \$186,000 to the agencies he defrauded. **TIMMONS** produced a \$20,000 cashier's check at the time of sentencing, representing partial payment of the restitution due and owing.

The case was investigated by the Social Security Administration, Office of Inspector General and the Department of Veteran's Affairs, Office of Inspector General. The case was prosecuted by Assistant United States Attorney Suzanne M. Garrison.

HEROIN

On August 7, 2008, [KEVIN M. COOPER](#), a/k/a "MD," age 55, of Centralia, Illinois, was convicted on the sole count in a federal indictment following a three-day jury trial in the United States District Court in East St. Louis.

COOPER was convicted of conspiracy to distribute, and possess with intent to distribute, more than 100 grams of heroin, in violation of federal law. The evidence at trial established that **COOPER** was involved in a conspiracy that was bringing heroin from Chicago to Southern Illinois for distribution in the Centralia area. The

conspiracy operated between approximately 2005 through January 29, 2008.

Sentencing is scheduled for November 17, 2008. **COOPER** is facing a sentence of between ten years to life imprisonment, a fine of up to \$4 million, and a term of supervised release of at least eight years.

The investigation was conducted by the Clinton County Sheriff's Office, the Illinois State Police, the Centralia Police Department, the Marion County Sheriff's Office, and the Drug Enforcement Administration pursuant to their participation in the Project Safe Neighborhoods Initiative. The Marion County State's Attorney's Office also assisted during the investigation.

The case was prosecuted by Assistant United States Attorney George Norwood.

TAX EVASION

On August 11, 2008, [DENNIS FRICHTL](#), age 52, and his brother **DOUGLAS FRICHTL**, age 47, both of Newton, Illinois, were sentenced to prison for the offense of conspiracy to impair and impede the Internal Revenue Service in the ascertainment and collection of income taxes. **DENNIS FRICHTL** was sentenced to 26 months in prison and three years supervised release. **DOUGLAS FRICHTL** was sentenced to 39 months imprisonment and three years supervised release.

On release from prison, each defendant will be required to cooperate with the Internal Revenue Service in the payment of all taxes owed and in filing all tax returns due. Information presented in court showed that **DENNIS FRICHTL** and **DOUGLAS FRICHTL** are now cooperating with the Internal Revenue Service to edu-

Recent Noteworthy Cases, continued

cate others to avoid fraudulent tax evasion schemes. Information was also presented in court that **DOUGLAS FRICHTL**, prior to sentencing, made a payment in excess of \$1 million dollars towards his back taxes owed.

DENNIS FRICHTL and **DOUGLAS FRICHTL** had been indicted jointly and with others. **DENNIS FRICHTL** and **DOUGLAS FRICHTL** previously pled guilty to conspiring with others, including the AEGIS Company to endeavor, impede, impair, obstruct, and defeat the lawful functions of the Internal Revenue Service under a system known as the AEGIS system that utilized foreign and domestic trusts, common law business organizations, and international business organizations in an attempt to conceal their true taxable income. They also used foreign bank accounts and filed frivolous documents with the IRS in furtherance of the scheme. AEGIS worked in concert with a network of nationwide promoters, sub-promoters, attorneys, and accountants, who marketed, distributed and supported the AEGIS fraudulent trust systems.

Assisted by contacts in Belize, the defendants transferred their business assets, homes, and other assets into these trusts or into bank accounts corresponding to these trusts. The defendants, acting in concert with AEGIS, filed tax returns which made it appear they had passed their business income through a series of trust or asset management companies which ultimately paid little or no taxes.

AEGIS instructed the defendants to use various legal documents known as the “Aegis Audit Arsenal” in an attempt to further perpetrate the AEGIS system and to thwart IRS inquiries into the Aegis trust scheme. The defendants were advised to withhold information from IRS revenue agents, to respond to Internal Revenue Service

inquiries or civil summonses for financial records with obstructive letters and questionnaires that AEGIS drafted and to resist IRS civil summonses by filing meritless motions to quash IRS summonses, in an attempt to further perpetrate the AEGIS system and to thwart IRS inquiries into the Aegis trust scheme.

The successful prosecution is the result of an investigation conducted by the Internal Revenue Service Criminal Investigation. The case was prosecuted by Assistant United States Attorney Norman Smith.

2008 SUMMER LAW INTERNS, continued



Jill Joerling (pictured left) is originally from St. Louis, MO; **Diana Lo** (pictured center) is a native of Boston, MA; and **Stephanie Radliff** (pictured right) is originally from Springfield, IL. All are second year law students at Washington University. The OCDETF interns collectively enjoy 80's movies, Photo Hunt, field trips and recognizing the accomplishments of their colleagues with certificates of excellence.



Kate Falahee is a native of Ann Arbor, MI. Kate is a 2nd year law student at Washington University interested in health, education, and constitutional law.



Matt Diehr is originally from St. Louis, MO. Matt is a graduate of Tulane University and is currently a 3rd year law student at St. Louis University School of Law. Matt survived Hurricane Katrina the first semester of his senior year. He was in the area when the hurricane was about to hit and went to Baton Rouge with his roommates, 30 miles west of New Orleans.



Katie Childers is a Bloomington, IN native who graduated from the University of Toledo. Katie is currently a 2nd year law student at Washington University.



Richard Dyer is attending law school at Southern Illinois University at Carbondale (SIUC). Richard is originally from Carbondale, IL, and formerly worked as a Radiation Safety Officer at SIUC. Upon graduation from law school Richard hopes to practice in southern Illinois or St. Louis area.



Emily Rose is a 2nd year law student at St. Louis University School of Law interested in Land Use and Urban Development.

2008 SUMMER LAW INTERNS, continued



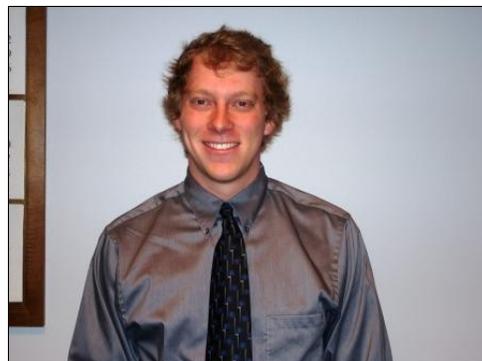
William Joseph Barbera hails from Pelham, NY, of Westchester County. William is a second year law student at Washington University School of Law and graduated in 2006 from Tufts University in Medford, MA.



Zachary Armfield is from North Carolina. He attended Duke University, majoring in history. Following graduation, he taught at his old boarding school for a few years, then returned to life as a student at the law school at Washington University in St Louis. Zack is currently entering his third year. For his internship last summer, Zack traveled to India to work for an international legal collective.



Courtney Lesser is originally from Laguna Beach, CA, and had been living in Northern California until last year. She graduated from San Jose State University and is currently a 2nd year law student at St. Louis University. Although pursuing a law degree, Courtney was a dancer through college and performed on MTV and Star Search when she was younger.



Matthew Ullrich is a St. Louis native and graduate of Webster University. He is a 2nd year law student at the University of Denver.

KEY DATES IN AUGUST

August 1:	Earth Liberation Front (ELF) claimed responsibility for the arson of a five-story apartment complex under construction in San Diego, California. A banner warning "if you build it, we will burn in - ELF" was left at the site. Estimated damages were reported to be between \$20 and \$50 million dollars. (2003)
August 2:	Iraq: car bomb explodes in front of Jordanian Embassy in Baghdad, killing 19 and injuring 50. (2003)
	Iraq invades Kuwait (1990)
August 3:	Colombia: The National Liberation Army (ELN) and the Revolutionary Armed Forces of Colombia (FARC) coordinate attacks that kill 106 soldiers and six civilians. (1998)
August 4:	Israel: Suicide bomber kills nine and wounds more than 50 passengers aboard a bus; HAMAS claims responsibility. (2002)
August 5:	Philippines: Soldiers rescue 13 hostages after Abu Sayyaf Group (ASG) beheads 10 of 23 kidnapped on August 2. (2001)
August 6:	France: Former Iranian Prime Minister Shapur Bakhtiar and his assistant assassinated in Paris. (1991)
	Atomic bomb dropped on Hiroshima, Japan. (1945)
August 7:	Kenya, Tanzania: Twin blasts at U.S. Embassies kill 224, including 12 U.S. citizens; 5,000 injured in Nairobi and 72 in Dar es Salaam; al-Qaeda responsible.
August 10:	United Kingdom: Police disrupt plot to attack planes flying to the U.S., arrest over 20; al-Qaeda suspected. (2006)
August 11:	Philippines: Troops rescue three Filipinos from ASG; one U.S. hostage killed. (2001)
August 14:	Thailand: JI key figure, Riduan Isamudden, a.k.a. Hambali, arrested in Bangkok. (2003)
	Pakistan Independence Day
August 15:	Iraq: At least 400 killed, hundreds injured in four truck-bomb explosions in remote northern desert. (2007)
August 16:	Palestinian terrorist, Sabra al Bana, more commonly known as Abu Nidal, killed in Baghdad apartment. Saddam Hussein reportedly ordered Nidal's assassination. (2002)
August 18:	Spain: Car bomb explodes in tourist area near Barcelona after warning call; Euskadi Ta Askatasuna (ETA) responsible. (2001)
August 19:	Israel: HAMAS suicide bomber detonates bomb aboard bus in Jerusalem, killing 20, including five U.S. citizens, and injuring 140. (2003)
	Iraq: Truck bomb explodes outside United Nations (UN) headquarters, killing 23, including UN official General Sergio Viera DeMello, and injuring 100 . (2003)
	Russia: Bomb attack at market in Astrakhan kills seven and wounds more than 50; Chechens suspected. (2001)
August 20:	Afghanistan, Sudan: U.S. cruise missiles strike against terrorist locations in retaliation for African embassy bombings. (1998)

KEY DATES IN AUGUST, continued

August 21:	The siege at Ruby Ridge, Idaho, began. (1992)
	Pakistan: Two Mohajir Qaumi Movement (MQM) members sentenced to death for murder of four U.S. citizens. (1999)
August 23:	Colombia: A car bomb explodes outside a police station in Marintilla killing 1 and injuring 23; ELN blamed. (2001)
August 25:	ELF claimed responsibility for approximately \$1 million dollars in damage to a West Covina, California, Sport Utility Vehicle auto dealership. Approximately 20 Hummer H2s and another 20 Hummers and Chevrolet Tahoe's were vandalized. Vehicles at three other dealers and approximately four privately owned vehicles in the area were also damaged. (2003)
	Animal Liberation Front (ALF) claimed responsibility for release of 10,000 mink from a farm in Snohomish County in Washington causing approximately \$500,000 in damage. (2003)
August 26:	ELF claimed responsibility for vandalizing walls and equipment at a Wal-Mart construction site in Fairbanks, Arkansas. (2003)
August 28:	Yemen: Car bomb kills six and wounds 12; Army of Aden-Abyan suspected. (1999)
August 29:	Iraq: Shia Muslim cleric Ayatollah al-Hakim assassinated in Basra. (2003)
	Canada: Mahmud Haballah arrested for involvement in al-Qaeda bombing of U. S. Embassies. (2001)
	A truck bombing in central Kabul killed seven people, including two U.S. citizens and three Nepalis. Several other foreigners and Afghans were injured. The Taliban and group calling al-Qaeda Organization of Afghanistan made joint claims of responsibility. (2004)
August 30:	Sri Lanka: Liberation Tigers of Tamil Eelam (LTTE) bomb outside municipal building in Kalunai kills three and wounds seven. (2001)
	The siege at Ruby Ridge, Idaho, ended. (1992)
August 31:	Thailand: One killed as more than 20 bombs explode almost simultaneously inside banks in south. (2006)
	Israel: Two HAMAS bus bombings kill 16 in Beersheba. (2004)

FAMILY FUN DAY

On August 1, 2008, the USAO invited local law enforcement agencies and local, state, and federal agencies and their families to the "Family Fun Day" at Pleasant Ridge Park in Fairview Heights.

The September edition of this newsletter will contain more Family Fun Day photos.



Fairview Heights Police Department Honor Guard



DEA Task Force Agent explaining the DEA CLAN LAB response vehicle



Metro-East Emergency Response Team



Larry Washington, ATF



Courtney Cox Jazz Group, Leslie Cox, vocalist



Donna Gerdes and Jerry Burke BBQing hotdogs for the event