

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA

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CRIMINAL NO.: 08-199

v.

*

SECTION: "I"

MEGAN MICHEL MERRIMAN

*

SARAH M. SMITH

ALVIN L. WELCH

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FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved, through the introduction of competent testimony and admissible tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the Indictment now pending against the defendants, **MEGAN M. MERRIMAN, SARAH M. SMITH AND ALVIN L. WELCH**. The defendants have agreed to plead guilty to Count I of the Indictment charging them with Conspiracy to Commit Bank Fraud in violation of Title 18, United States Code, Section 371.

In or around September 2007, MEGAN M. MERRIMAN, and SARAH M. SMITH were approached by E.M. in New Orleans, Louisiana and were asked whether they were interested in making money. E.M. drove MEGAN M. MERRIMAN and SARAH M. SMITH to a Walmart retail outlet and provided MERRIMAN and SMITH with cash to purchase medical scrubs, white t-shirts

and socks. Defendants provided E.M. with their identification cards so that E.M. could alter stolen checks by making the checks payable to MEGAN M. MERRIMAN , a/k/a Megean Lerriman; a/k/a Megan Lerriman, and SARAH M. SMITH, a/k/a Michelle S. Smith. The checks altered by E.M. were stolen from residential mail boxes by persons known to E.M. In the memo section of the altered checks E.M. wrote “care staff”, “mother’s care staff” or “home health care”. Thereafter, E.M. drove MERRIMAN and SMITH to various banks to cash the checks E.M. had altered. MEGAN M. MERRIMAN and SARAH M. SMITH wore the clothing purchased at Walmart when presenting the altered checks for payment so as to appear that they were employed as home health care workers.

On or about September 25, 2007, ALVIN L. WELCH was approached by E.M. in New Orleans, Louisiana and was asked whether he had any identification and if he was interested in making money. E.M. drove ALVIN L. WELCH in a rental car to various banks and waited in the car while ALVIN L. WELCH cashed stolen checks E.M. had altered by making the checks payable to ALVIN L. WELCH. When E.M. altered the stolen checks, he also increased the amount of each check and forged the account holder’s signature. These checks were stolen from residential mail boxes by persons known to E.M. In the memo section of the altered checks E.M. wrote “home repairs”, “paid in full” or “renovations completed”.

On or about September 4, 2007 and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$966.81 at Iberia Bank in Marrero, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew the check to have been fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented an Ohio Driver’s License, No. TE928273 to the Iberia Bank teller when she presented the altered check. U.S. Postal

Inspectors confirmed that the Ohio Driver's License, No. TE928273 was issued to MEGAN M. MERRIMAN. A video recording showing MEGAN M. MERRIMAN cashing the altered check at the Iberia bank would be offered as evidence at trial.

On or about September 4, 2007, and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN, fraudulently presented and cashed an altered check in the amount of \$1,170.89, at Regions Bank (previously known as Am South Bank) in Marrero, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew that the check was fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented a Louisiana Identification Card No. 9047608 to the Regions Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that Louisiana Identification Card No. 9047608 was issued to MEGAN M. MERRIMAN. A video recording showing MEGAN M. MERRIMAN cashing the altered check at Regions Bank would be offered as evidence at trial.

On or about September 4, 2007, and during the course and in furtherance of the conspiracy, SARAH M. SMITH fraudulently presented and cashed an altered check in the amount of \$965.00 at Capital One Bank in New Orleans, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. SARAH M. SMITH knew the check to have been fraudulently and falsely altered by E.M. SARAH M. SMITH presented a Louisiana Identification Card, No. 9464212 to the Capital One bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 9464212 was issued to SARAH M. SMITH.

On or about September 5, 2007 and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$975.63, at Capital One Bank in Harvey, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew that the check was

fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented an Ohio Driver's License, No. TE928273 to the Capital One Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Ohio Driver's License, No. TE928273 was issued to MEGAN M. MERRIMAN. A video recording showing MEGAN M. MERRIMAN cashing the altered check at Capital One Bank would be offered as evidence at trial.

On or about September 5, 2007, and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$916.52 at ASI Federal Credit Union, in Westwego, Louisiana, a bank whose deposits were insured by the National Credit Union Share Insurance Fund (NCUSIF). MEGAN M. MERRIMAN knew that the check was fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented an Ohio Driver's License, No. TE928273 to the ASI Federal Credit Union Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Ohio Driver's License, No. TE928273 was issued to MEGAN M. MERRIMAN.

On or about September 5, 2007, and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$988.00, at Whitney National Bank in Gretna, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew that the check was fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented an Ohio Driver's License, No. TE928273 to the Whitney Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Ohio Driver's License, No. TE928273 was issued to MEGAN M. MERRIMAN.

On or about September 5, 2007, and during the course and in furtherance of the conspiracy, SARAH M. SMITH, fraudulently presented and cashed an altered check in the amount of \$988.94,

at Regions Bank (previously known as Am South Bank) in Gretna, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. SARAH M. SMITH knew that the check was fraudulently and falsely altered by E.M. SARAH M. SMITH presented a Louisiana Identification Card, No. 9464212 to the Regions Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 9464212 was issued to SARAH M. SMITH. A video recording showing SARAH M. SMITH cashing the altered check at the Regions bank would be offered as evidence at trial.

On or about September 5, 2007, and during the course and in furtherance of the conspiracy, SARAH M. SMITH fraudulently presented and cashed an altered check in the amount of \$984,46, at ASI Federal Credit Union, in Westwego, Louisiana, a bank whose deposits were insured by the National Credit Union Share Insurance Fund (NCUSIF). SARAH M. SMITH knew that the check was fraudulently and falsely altered by E.M. SARAH M. SMITH presented a Louisiana Identification Card, No. 9464212 to the ASI Federal Credit Union Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 9464212 was issued to SARAH M. SMITH.

On or about September 7, 2007 and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$971.06 at Iberia Bank in Terrytown, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew the check to have been fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented a Louisiana Identification Card No. 9047608 to the Iberia Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that Louisiana Identification Card No. 9047608 was issued to MEGAN M. MERRIMAN. A video recording showing MEGAN M. MERRIMAN cashing the

altered check at the Iberia bank would be offered as evidence at trial.

On or about September 7, 2007, and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN fraudulently presented and cashed an altered check in the amount of \$987.68 at the Jefferson Parish School Board Employees Credit Union, in Harvey, Louisiana, a bank whose deposits were insured by the National Credit Union Share Insurance Fund (NCUSIF). MEGAN M. MERRIMAN knew that the check was fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented a Louisiana Identification Card No. 9047608 to the Jefferson Parish School Board Employees Credit Union bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that Louisiana Identification Card No. 9047608 was issued to MEGAN M. MERRIMAN.

On or about September 10, 2007, and during the course and in furtherance of the conspiracy, MEGAN M. MERRIMAN, fraudulently presented and cashed an altered check in the amount of \$987.00, at Regions Bank (previously known as AmSouth Bank) in Gretna, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. MEGAN M. MERRIMAN knew that the check was fraudulently and falsely altered by E.M. MEGAN M. MERRIMAN presented a Louisiana Identification Card No. 9047608 to the Regions Bank teller when she presented the altered check. U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 9047608 was issued to MEGAN M. MERRIMAN. A video recording showing MEGAN M. MERRIMAN cashing the altered check at Regions Bank would be offered as evidence at trial.

On or about October 4, 2007, and during the course and in furtherance of the conspiracy, ALVIN L. WELCH, fraudulently presented and cashed an altered check in the amount of \$1,976.00 at ASI Federal Credit Union, in New Orleans, Louisiana, a bank whose deposits were insured by the National Credit Union Share Insurance Fund (NCUSIF). ALVIN L. WELCH knew the check to

have been fraudulently and falsely altered by E.M. ALVIN L. WELCH presented a Louisiana Identification Card, No. 007755453 to the ASI Federal Credit Union bank teller when he presented the altered check. U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 007755453 was issued to ALVIN L. WELCH.

On or about October 9, 2007, and during the course and in furtherance of the conspiracy, ALVIN L. WELCH, fraudulently presented and cashed an altered check in the amount of \$1,024.77, at Capital One Bank in Harvey, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. ALVIN L. WELCH knew that the check was fraudulently and falsely altered by E.M.. ALVIN L. WELCH presented a Louisiana Identification Card, No. 007755453 to the Capital One bank teller when he presented the altered check. Special Agents from U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 007755453 was issued to ALVIN L. WELCH.

On or about October 11, 2007, and during the course and in furtherance of the conspiracy, ALVIN L. WELCH, fraudulently presented and cashed an altered check in the amount of \$2,102.95, at Capital One Bank in Gretna, Louisiana, a bank whose deposits were insured by the Federal Deposit Insurance Corporation. ALVIN L. WELCH knew that the check was fraudulently and falsely altered by E.M. ALVIN L. WELCH presented a Louisiana Identification Card, No. 007755453 to the Capital One bank teller when he presented the altered check. Special Agents from the U.S. Postal Inspectors confirmed that the Louisiana Identification Card No. 007755453 was issued to ALVIN L. WELCH. A video recording showing ALVIN L. WELCH cashing the altered check at the Gretna branch of Capital One would be offered as evidence at trial.

On October 29, 2007, ALVIN L. WELCH was interviewed by U.S. Postal Inspectors regarding the cashing of altered checks stolen from residential mail boxes. ALVIN L. WELCH

admitted to cashing the checks that E.M. had altered and provided to him.

On April 24, 2008 MEGAN M. MERRIMAN and SARAH M. SMITH were interviewed by U.S. Postal Inspectors regarding the cashing of altered checks stolen from residential mail boxes. MEGAN M. MERRIMAN and SARAH M. SMITH admitted to having observed E.M. writing their names on the altered checks which they then cashed at various banks.

The Government and the defendants, MEGAN M. MERRIMAN, SARAH M. SMITH AND ALVIN L. WELCH, do hereby stipulate and agree that the above facts set forth a sufficient factual basis for the crime to which the defendants are pleading guilty and that the government would have proven these facts beyond a reasonable doubt at trial.

JULIA K. EVANS (D.C. BAR # 435461) (DATE)
ASSISTANT UNITED STATES ATTORNEY

DEFENDANT, MEGAN M. MERRIMAN (DATE)

SAMUEL SCILLITANTI (DATE)
ASSISTANT FEDERAL PUBLIC DEFENDER

DEFENDANT, SARAH M. SMITH (DATE)

WILLIAM P. GIBBENS (DATE)
ATTORNEY FOR SARAH M. SMITH

DEFENDANT, ALVIN L. WELCH (DATE)

STEVE LEMOINE (DATE)
ATTORNEY FOR ALVIN L. WELCH