

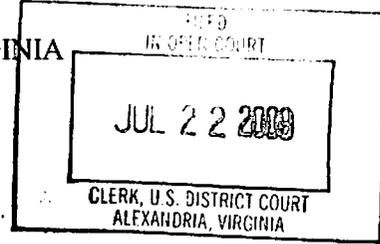
IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)
)
 v.)
)
 CLYDE AUSTIN GRAY, JR.,)
 a/k/a Poochie,)
)
 Defendant.)

CRIMINAL NO. 1:09-CR-326

Judge Gerald Bruce Lee



STATEMENT OF FACTS

Were this matter to go to trial, the United States of America would prove the following facts beyond a reasonable doubt:

1. The defendant, Clyde Austin Gray, Jr. ("Gray"), was a resident of Waldorf, Maryland.
2. From in or about January 2007 through in or about May 2009, Gray and at least 12 others conspired together in a nationwide identity theft ring. Gray was a ringleader of that conspiracy. The purpose of the conspiracy was to defraud individuals and financial institutions by using stolen personal identifying information, bank and bank record information, personal checks, and other access devices belonging to individual victims to impersonate those victims at banks and thereby obtain funds from the banks.
3. The co-conspirators employed various techniques to obtain victims' bank account information, personal checks, credit cards, driver's licenses and other identifying documents, including pick pocket theft, mail theft, theft from businesses, and the use of corrupt employees at professional offices.

4. Using the compromised information, the co-conspirators made or obtained counterfeit driver's licenses and military identification cards that included the names of victims and the photographs of co-conspirators. The co-conspirators then assembled packets by bundling the checks and other identifying documents and bank account information with the fraudulent identifications.

5. The co-conspirators sent these packets via U.S. Postal Service Express Mail, Federal Express overnight delivery, and UPS overnight delivery to various locations throughout the United States. The packages were addressed to either a hotel or another shipping facility. In most cases, the name of the sender on the packages was the same as that of the addressee.

6. Once the co-conspirators retrieved the packages that had been sent to various cities within the United States, they entered financial institutions and, using counterfeit driver's licenses or military identification cards along with stolen debit or credit cards as forms of identification, conducted split deposit transactions. In a split deposit transaction, the co-conspirator first deposits into one victim's account a personal check drawn on the bank account of another identity theft victim. The purpose of this deposit is falsely to inflate the victim's account balance and/or identify the specific account number. Funds are then siphoned out of the account by means of counter withdrawals, checks drawn on the account, or electronic withdrawals.

7. Gray, along with a co-conspirator located in Dolton, Illinois, known as "Co-Conspirator 1," acted as a ringleader of the conspiracy. He paid other co-conspirators to pickpocket, steal, and compromise the personal identification and bank account information of individual victims. Gray then made or obtained counterfeit driver's licenses and military

identification cards that included the names and other personal identifiers of victims and the photographs of co-conspirators. He distributed the fraudulent identification documents, along with counterfeit checks drawn on the victims' accounts and other identifying documents and bank account information, to other co-conspirators for use in conducting fraudulent split deposit transactions. The co-conspirators who conducted the split deposit transactions returned a percentage of the proceeds to Gray. Gray, in turn, distributed some of the proceeds to other co-conspirators.

8. In addition, Gray committed the following acts in furtherance of the conspiracy:

a. On or about September 14, 2007, Gray arranged with Co-Conspirator 1 to take delivery of a package Co-Conspirator 1 dropped off at a Federal Express shipping facility located at 17170 Westview Road, South Holland, Illinois. The package, addressed to Gray at a Federal Express shipping facility located at 1501 Eckington Place, N.E., Washington, D.C., contained counterfeit identifications and stolen personal checks, credit cards, and bank cards belonging to victims in the Washington, D.C. area.

b. On numerous occasions during 2008, Gray paid a corrupt employee at a medical office located in Washington, D.C., known as "Co-Conspirator 2," between \$200 and \$500 for each set of personal identifiers and bank account information that the employee provided to Gray for use in the bank fraud scheme. On approximately 20 occasions, Gray met with Co-Conspirator 2 to obtain the personal identifiers and bank account information of approximately 37 victims.

c. In or about January through March 2008, Gray provided a co-conspirator, Sylvester Vaughn (hereinafter "Vaughn"), with a counterfeit Maryland driver's license with

victim "M.G.'s" true name, date of birth, and address, and Vaughn's photograph. Gray obtained M.G.'s personal identifiers and bank account information from Co-Conspirator 2. On or about March 6, 2008, Vaughn entered the SunTrust Bank located at 2250 M Street, N.W., Washington, D.C., and impersonated M.G. by using the counterfeit Maryland driver's license provided by Gray. Using M.G.'s SunTrust account, Vaughn cashed check number 2448 drawn on the Bank of America account of victim "J.B." made payable to M.G. in the amount of \$4,700. A co-conspirator had obtained checks belonging to J.B. by pick pocketing J.B. in Washington, D.C.

d. In or about January through May 2008, Gray provided a co-conspirator, known as "Co-Conspirator 3," with a counterfeit Maryland driver's license with victim "H.G.'s" true name, date of birth, and address, and Co-Conspirator 3's photograph. Gray obtained H.G.'s personal identifiers and bank account information from Co-Conspirator 2. On or about May 6, 2008, Co-Conspirator 3 entered the SunTrust Bank located at 2250 M Street, N.W., Washington, D.C., and impersonated H.G. by using the counterfeit Maryland driver's license Gray had provided. Using H.G.'s SunTrust account, Co-Conspirator 3 cashed check number 9548 drawn on the BB&T account of victim "D.T." made payable to H.G. in the amount of \$3,500. A co-conspirator had obtained checks belonging to D.T. by pick pocketing D.T. in Alexandria, Virginia, within the Eastern District of Virginia, in or about May 2008.

e. In or about January through December 2008, Gray provided Co-Conspirator 3 with a counterfeit Maryland driver's license with victim "N.P.'s" true name, date of birth, and address, and Co-Conspirator 3's photograph. Gray obtained N.P.'s personal identifiers and bank account information from Co-Conspirator 2. In or about January through December 2008, Gray also provided Co-Conspirator 3 with a personal check belonging to victim

“M.E.,” who had been the victim of a pickpocket theft by a co-conspirator in Washington, D.C. M.E.’s personal identifiers and bank account information were among the items in Gray’s possession in February 2009. On or about December 30, 2008, Co-Conspirator 3 entered the M&T Bank located at 4800 Hampden Lane, Bethesda, Maryland and impersonated N.P. by using the counterfeit driver’s license Gray had provided. Using N.P.’s M&T Bank account, Co-Conspirator 3 cashed check number 3512 drawn on the Navy Federal Credit Union account of M.E. made payable to N.P. in the amount of \$1,900.

f. In or about February 2009, Gray possessed, in his Waldorf, Maryland residence, the stolen driver’s licenses, credit and debit cards, personal checks, and other personal identifying information of approximately 85 individual victims, as well as counterfeit identification documents with the victims’ personal identifiers and photographs of other co-conspirators.

9. SunTrust Bank is a financial institution whose principal place of business is Atlanta, Georgia and whose deposits are insured by the Federal Deposit Insurance Corporation.

10. M&T Bank is a financial institution whose principal place of business is Buffalo, New York and whose deposits are insured by the Federal Deposit Insurance Corporation.

11. The total fraud loss, including intended loss, attributable to Gray’s conduct, including the acts described above, is \$2,111,439.53.

12. Gray’s conduct involved at least 10 financial institution victims that sustained actual losses.

13. Gray was an organizer and leader of the conspiracy described above, which involved five or more participants and was extensive.

14. The acts taken by Gray in furtherance of the offense charged in this case, including the acts described above, were done willfully and knowingly with the specific intent to violate the law. The defendant acknowledges that the foregoing statement of facts does not describe all of his conduct relating to the offense charged in this case.

Respectfully submitted,

Dana J. Boente
United States Attorney

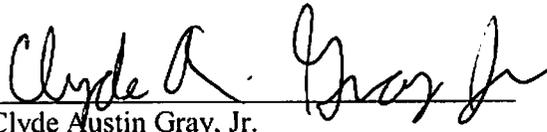
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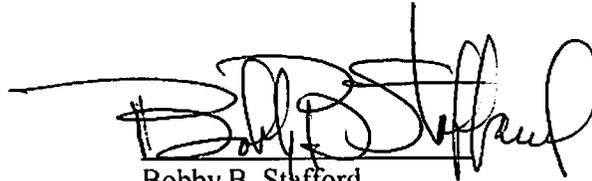
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After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, Clyde Austin Gray, Jr., and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.


Clyde Austin Gray, Jr.
Defendant

I am Clyde Austin Gray, Jr.'s attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.


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