



# RHODE ISLAND FED

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## SCAMS IN YOUR IN-BOX

BY SPECIAL AGENT BRIAN S. DECK  
UNITED STATES SECRET SERVICE

“If something sounds too good to be true, it probably is.” It’s a much used adage, but it’s still relevant, especially when it comes to Internet fraud schemes that are simply updated versions of scams that have been around for decades.

Rhode Islanders are being tempted by e-mails declaring them winners of foreign lotteries, offering lucrative work-at-home job offers, or mentioning large foreign bank accounts that need to be transferred into American accounts. Many victims are still losing thousands of dollars to these schemes.

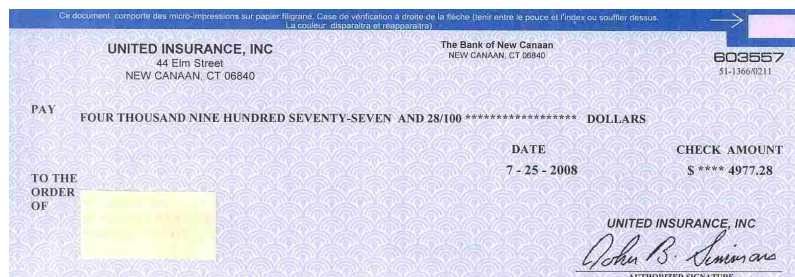
*The check is counterfeit,  
the job doesn't exist, there is no lottery*

It should be obvious that, if you get a letter or e-mail from a person you do not know, you should simply ignore it: if you’re contacted by someone with whom you have never done business — ignore it; if you receive e-mails regarding proposals you did not solicit or lotteries that you never entered — ignore them. But many people can’t see the truth behind the official looking logos, formally worded letters, or seemingly professional forms. These schemes tend to disproportionately victimize senior citizens

and those who are not Internet savvy.

Advance fee scams began in the 1980’s, originating out of Nigeria.

Initially, letters were sent through the mail to businesses and



A counterfeit check, purportedly part of a lottery prize, sent to a Rhode Island man, along with a letter directing him to wire back some of his winnings to cover “taxes.” The target didn’t bite.

purported to be from bank representatives or government officials. As technology changed, so did the scammers’ methods. Businesses started to receive unsolicited faxes. Then we all started to receive proposals via e-mail. Today, millions of these emails and letters are transmitted daily. *(Continued on page 3)*

# FEDERAL DRUG AND GUN CASES

## Toy car contained real drugs

A Customs and Border Protection agent at the FedEx facility in Memphis detected something suspicious in a package from Caracas labeled, “radio-controlled car.” Further inspection revealed a kilo

of cocaine in the bottom of the car. The toy car was shipped to its intended address in Johnston, where a woman said it was for a friend. When **Edward Perez** arrived and took possession of the package, agents arrested him. A jury found him guilty of conspiracy to traffic in cocaine.

*Assistant U.S. Attorney Gerard B. Sullivan.*



## Pawtucket cocaine dealer sentenced to 157 months in prison

**Timothy Falcon** stashed cocaine in two residences in Pawtucket. DEA Task Force agents and Pawtucket Police officers obtained search warrants for both. When Falcon spotted police surveillance, he tried to flee in his Mercedes, but was stopped and detained. Agents seized a total of about 600 grams of cocaine from the car and both residences. They also seized two guns, one from the trunk of the car and another from a safe in one of the apartments. A federal judge sentenced Falcon to 157 months in prison — 97

for drug trafficking and being a felon in possession of firearms, and 60 additional months for having a gun in furtherance of a drug trafficking crime. *Assistant U.S. Attorney Sandra R. Beckner*



## Gun and drug sales lead to guilty plea

On three occasions **Scott Peterson** sold a half-ounce of cocaine for \$500. On one of those occasions, he also sold a .25 caliber pistol with an obliterated serial number. All three times, his customer was an undercover police officer. Peterson pleaded guilty to selling drugs and possessing a firearm with an obliterated serial number. *Assistant U.S. Attorney Richard*

*W. Rose.*



*(continued on page 3)*

## FEDERAL DRUG AND GUN CASES

### Previously deported drug dealer sentenced to prison for reentering the U.S.

**Domingo Enrique Lorenzo-Ferrera** was convicted in Washington, D.C. in 1987 of cocaine trafficking and, after serving a prison sentence, was deported in 1995. He later reentered the country and federal task force agents developed evidence that he was selling drugs out of an apartment in Providence. Accompanied by Immigration and Customs Enforcement agents, they searched the apartment and found cocaine, some marijuana, trafficking materials and \$1,030 in cash. Judge Mary M. Lisi rejected Lorenzo-Ferrera’s claim that he was a \$100-per-week shoe salesman, and sentenced him to 41 months in prison. He is subject to deportation afterward. *Assistant U.S. Attorney Peter F. Neronha.*




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## INTERNET SCAMS (FROM PAGE 1)

The original scheme involved a purported foreign government or bank official who needed help transferring a large sum of money, and offered 20% of the total for assistance transferring the funds. Victims who bit

**Scam alerts**

- ⇒ Winning lottery notifications or “International Lotteries”
- ⇒ Job Offers / Employment – especially from a foreign company, doing surveys or data entry, overly lucrative mystery shopper programs, or whenever all hiring phases are done via email
- ⇒ Overpayment for items listed for sale
- ⇒ Advance fees to get a large amount of money
- ⇒ Current events, such as hurricanes or floods, used to solicit donations
- ⇒ Phone calls asking for money urgently or assistance in wiring funds
- ⇒ Being asked to wire money immediately or without delay.

*U.S. Secret Service*

were duped into paying thousands of dollars of “advance fees” supposedly required to trigger the windfall — Customs fees, attorneys’ fees, etc. Of course, there was no bank account and the advance fees were the entire purpose of the solicitation.

Variations of the schemes today include work-from-home employment opportunities and big lottery winnings requiring “tax payments” to be wired back. Scammers have also used current events such as Hurricane Katrina to set

the foundation of their schemes.

Another variation targets people advertising items for sale online or in newspapers. Victims are contacted by someone who needs to send a check for an amount higher than the asking price and have the victim wire the excess funds to an account. The check is counterfeit and the victim loses the amount that is wired back.

The Secret Service in Providence receives calls regularly from targets who have fallen for these schemes. The reality is that, once you’ve sent the money, there’s not much that can be done. Your money is gone the moment that wire was sent. There are no charge backs, no refunds, no complaint departments, and no reimbursement.

# CRIMINAL DOCKET SHEET

## Child pornography nets an 18-year sentence

**Barry Zurybida** occasionally took care of two neighborhood girls. However, he also had them pose in lewd positions in which he photographed them. Upon learning of this, the girls' mother contacted Middletown Police who, along with the FBI, seized from Zurybida's house a



computer hard drive containing pornographic pictures that he had taken of the girls, and a camera used to take the photos. Zurybida faced a minimum sentence of 15 years in prison but because Zurybida had fondled the girls and had abused a position of trust placed in him by their mother, a federal judge increased the sentence to 220 months. The case was prosecuted as part of Pro-



ject Safe Childhood, a Department of Justice initiative against child sexual exploitation. *Assistant U.S. Attorney Terrence P. Donnelly.*

## Taunton man sentenced in extortion attempt

**Larry Crite**, working at the direction of **Anthony St. Laurent, Sr.**, participated in a scheme to extort \$200,000 from two men in Taunton. **Ricky E. Silva** and **James G. Manning** met Crites in Taunton, and he tried to lead them to one of the victims. They were unsuccessful, but federal agents were monitoring their attempt. Crites was sentenced to 24 months in prison for participating in the extortion attempt. **Silva**, who had 31 prior convictions, was sentenced to five years, Manning to 24 months, and St. Laurent to 56. At the time of the offense, St. Laurent was on supervised release from a federal prison term for a prior extortion offense. *Assistant U.S. Attorneys Kenneth Madden and Peter Neronha*



## Asbestos contractor admits extorting kickbacks from workers

**Michael Macaruso** operated two asbestos abatement companies that did work for public agencies, including municipal housing authorities, school departments, and towns. Federal law requires that public works contractors pay their workers a prevailing wage, as calculated by the Department of Labor. Macaruso submitted documentation that he was paying the prevailing wage and had his accountant cut corresponding paychecks, but then cashed them himself and dispensed cash to his workers at significantly less than the prevailing wage. He also failed to report \$280,000 in income for two years. Macaruso pleaded guilty to extorting kickbacks and filing a false tax return. *Assistant U.S. Attorney Lee J. Vilker*



*(continued on page 6)*

## CIVIL DOCKET SHEET

### HGH manufacturer forfeits \$2.7 million for illegal shipments

**GeneScience Pharmaceuticals**, a Chinese manufacturer of human Growth Hormone, smuggled hGH under its brand name, Jintropin, into the U.S., utilizing distributors and “re-mailers.” GeneScience was paid by bank-to-bank electronic transfers or through Western Union money wires deposited in accounts at two banks in China. Because the banks had branches in New York where correspondent accounts were maintained, the U.S. was able to seize the proceeds of the illegal shipments — about \$2.7 million. Agents in a Task Force anchored by the Food and Drug Administration, Office of Criminal Investigation analyzed about 20,000 e-mails between GeneScience and confederates over a four-year period. Portions of the seized funds will be distributed to the agencies that contributed to the task force investigation — including Rhode Island State Police, North Providence Police, and Woonsocket Police — to help finance future criminal investigations. Criminal charges are pending against GeneScience, its CEO, and two alleged distributors. *Assistant U.S. Attorneys Michael P. Iannotti, Milind M. Shah, and Adi Goldstein*



### Hotels agree to accessibility improvements

Four Rhode Island hotels — the Providence Marriott, the Courtyard by Marriott in Providence, the Courtyard by Marriott in Warwick, and the Hilton Garden in Warwick — have signed agreements to make their facilities more accessible to persons with disabilities. Improvements to be made include increasing the number of accessible rooms, ensuring that courtesy vans are accessible or that alternative transportation is provided, and maintaining a TTY/TDD device for hearing impaired individuals at the front desk. The four are among 16 hotels to which the U.S. Attorney sent accessibility surveys in an initiative under the Americans with Disability Act. The ADA prohibits discrimination on the basis of disability by private entities that own or operate "places of public accommodation," a category that includes hotels. The ADA authorizes the Department of Justice to investigate complaints and to undertake periodic reviews of compliance of facilities covered by the law. Additional hotels will be surveyed in the future. Hotels that are not part of the initial survey may initiate their own internal reviews. Survey forms can be obtained by contacting Assistant U.S. Attorney John P. McAdams at 401-709-5000.



## .CRIMINAL DOCKET SHEET (FROM PAGE 4)

### Travel agent bilked airlines, Amtrak in refund scheme

**Frank Serio**, who did business as Travel Concepts, Inc., devised a scheme to cheat airlines and Amtrak out of a half-million dollars. Using a travel agents' clearing house company known as Airlines Reporting Corporation,



Serio ordered tickets for fictitious travelers. Using fictitious voucher numbers, Serio paid a small fraction of the ticket cost by misusing a voucher system generally used for airline employees and their families. A few days after purchasing tickets at a discount, he requested and obtained refunds at the full ticket price, credited to his own credit cards. Airlines Reporting Corporation honored his refund requests because of his membership in the ARC network. Between July 2004 and October 2007, Serio fraudulently obtained \$571,000 from eight airlines and Amtrak.

He converted most of the refunds to cash and used it for personal expenses. Serio pleaded guilty to wire fraud. *Assistant U.S. Attorney Lee H. Vilker*

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## PARTNERS AT WORK

**Paddling a river:** U.S. Attorney's staff joined the Woonasquatucket River Watershed Council for a canoe trip on the Woonasquatucket, past mills that built Providence, and up a river that the Council, a Weed & Seed partner, is helping reclaim and revitalize.



*Weed & Seed is a Department of Justice initiative that fosters a comprehensive approach to law enforcement, crime prevention, and community revitalization. In Rhode Island, the U.S. Attorney partners with Weed & Seed sites in Olneyville/Hartford in Providence, and in the Woodlawn neighborhood of Pawtucket.*

## PARTNERS AT WORK

**A Playground Rises** — The Woonasquatucket River Watershed Council helped build a playground at Merino Park. Staples donated \$53,000, and about 300 volunteers from Staples and the Hartford Community built the playground in about six hours. Ka-Boom, a non-profit group that has built 1,400 similar playgrounds around the world, provided the know-how and materials. The city of Providence and its Housing Authority provided tools. Several members of the U.S. Attorney’s office were among the volunteers.



**Tools of the trade:** Lisa Aurecchia, of the Watershed Council



**Cementing the deal:** U.S. Attorney Corrente



**Framing the case:** Intelligence Specialist Brian Pires



**Paint by numbers:** a volunteer paints a hopscotch court.

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