

FILED  
JOHN P. HEWMAN

UNITED STATES DISTRICT COURT

for the  
Southern District of Ohio

2014 OCT -1 AM 9:47

U.S. DISTRICT COURT  
SOUTHERN DIST. OHIO  
WESTERN DIV. DAYTON

In the Matter of the Seizure of  
(Briefly describe the property to be seized)  
US Bank Account #\*\*\*\*7203 in the name of Amy Scarpelli,  
all contents

Case No. 3:14mj 379

WARRANT TO SEIZE PROPERTY SUBJECT TO FORFEITURE

To: Any authorized law enforcement officer

An application by a federal law enforcement officer or an attorney for the government requests that certain property located in the Southern District of Ohio be seized as being subject to forfeiture to the United States of America. The property is described as follows:

All contents of US Bank Account #\*\*\*\*7203 in the name of Amy Scarpelli in the approximate amount of \$5,204.16.

I find probable cause to seize the property pursuant to both civil and criminal forfeiture (18 U.S.C. § 981(a)(1)(A) and (C) and 28 U.S.C. § 2461(c) and 18 U.S.C. §1029(c) and 18 U.S.C. § 982(a)(1) and (2) and 31 U.S.C. § 5317 (c)(1) and (2)). I further find that a restraining order may not be sufficient to assure the availability of the property for forfeiture.

I find that the affidavit(s) and any recorded testimony establish probable cause to seize the property.

YOU ARE COMMANDED to execute this warrant and seize the property on or before 10-15-14 (not to exceed 14 days)

in the daytime 6:00 a.m. to 10:00 p.m.  at any time in the day or night because good cause has been established.

Unless delayed notice is authorized below, you must also give a copy of the warrant and a receipt for the property taken to the person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the property was taken.

An officer present during the execution of the warrant must prepare, as required by law, an inventory of any property seized and the officer executing the warrant must promptly return this warrant and a copy of the inventory to

Sharon L. Ovington

(United States Magistrate Judge)

Pursuant to 18 U.S.C. § 3103a(b), I find that immediate notification may have an adverse result listed in 18 U.S.C. § 2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person who, or whose property, will be searched or seized (check the appropriate box)

for days (not to exceed 30)  until, the facts justifying, the later specific date of

Date and time issued: 10-1-14 9:00 am

Sharon L. Ovington  
Judge's signature

City and state: Dayton, Ohio

Sharon L. Ovington, United States Magistrate Judge

Printed name and title



**Return**

Case No.:	Date and time warrant executed:	Copy of warrant and inventory left with:
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Inventory made in the presence of:

Inventory of the property taken:

**Certification**

I declare under penalty of perjury that this inventory is correct and was returned along with the original warrant to the designated judge.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Executing officer's signature*

\_\_\_\_\_  
*Printed name and title*

FILED  
JOHN P. NEWMAN  
CLERK

# UNITED STATES DISTRICT COURT

for the

Southern District of Ohio

2014 OCT -1 AM 9:47

U.S. DISTRICT COURT  
SOUTHERN DIST. OHIO  
WESTERN DIV. DAYTON

In the Matter of the Seizure of  
*(Briefly describe the property to be seized)*  
US Bank Account #\*\*\*\*7203 in the name of Amy Scarpelli, all  
contents

Case No. 3 : 14 mj 379

## APPLICATION FOR A WARRANT TO SEIZE PROPERTY SUBJECT TO FORFEITURE

I, a federal law enforcement officer or attorney for the government, request a seizure warrant and state under penalty of perjury that I have reason to believe that the following property in the Southern District of Ohio is subject to forfeiture to the United States of America under 18 U.S.C. § 981(a)(1)(A) and (C) *(describe the property):* and 28 U.S.C. § 2461(c) and 18 U.S.C. § 1029(c) and 18 U.S.C. § 982(a)(1) and (2) and 31 U.S.C. § 5317(c)(1) and (2)

The application is based on these facts:

See attached affidavit

Continued on the attached sheet.



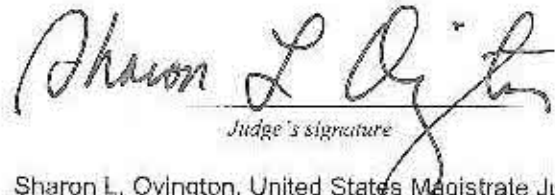
*Applicant's signature*

Matthew L. Schierloh, S.A. United States Secret Service

*Printed name and title*

Sworn to before me and signed in my presence.

Date: 10-1-14



*Judge's signature*

City and state: Dayton, Ohio

Sharon L. Ovington, United States Magistrate Judge

*Printed name and title*



## AFFIDAVIT IN SUPPORT OF SEIZURE WARRANT

I, Matthew L. Schierloh, being duly sworn, depose and state:

### I. INTRODUCTION

1. I am a Special Agent of the United States Secret Service ("USSS") and have held this position since November 2004. As a special agent, I have received training in the investigations of white collar crimes, including bank fraud, mail fraud, wire fraud, embezzlement, and money laundering. I have participated in the investigation of financial crimes involving, among others things, employee embezzlement from federally insured financial institutions and other commercial businesses. I have participated in the execution of search warrants involving financial crimes and have interviewed individuals that have perpetrated frauds against businesses and banks. I currently serve on the Southern Ohio Electronic and Financial Crimes Task Force. In this capacity, I routinely interact and have discussions with other law enforcement officers who have substantial experience and training in the investigation and prosecution of white collar crimes. Prior to my employment as an agent with the Secret Service, I served with the United States Secret Service Uniformed Division for approximately five (5) years.

2. Based on my training, experience and participation in financial investigations, and based upon the experience and knowledge of other agents and officers of the Southern Ohio Electronic and Financial Crimes Task Force, who were involved with this investigation from its onset, I know:

a. That individuals who receive funds from a particular crime will attempt to legitimize the proceeds of the crime by depositing the funds into bank accounts in nominee names. These individuals will often launder the funds through these nominee bank accounts in an attempt to further conceal the disposition of the funds.

b. That individuals who receive funds from a particular crime will attempt to conceal the disposition of these funds by purchasing personal assets with cash. These individuals use, control and maintain these assets in their residences and will maintain receipts from these assets in their residences. These documents include car titles and deeds.

c. If an individual has removed bulk currency from a bank, it tends to come banded (i.e., in a money strap or band). After removing money from the bank, the individual often retains the band on the currency until the currency is accessed.

d. In the modern era, people bank online, conduct transactions online, make travel arrangements, access to overseas banks and check credit card statements on line.

e. When individuals embezzle money, particularly in the form of US currency, they are unlikely to deposit all of it into bank accounts for fear of alerting authorities. As such, cash embezzlers often keep bulk currency at their residence, in safes, vehicles, etc.

## II. PURPOSE OF AFFIDAVIT

3. I make this affidavit in support of:

a. the seizure of the following assets:

(1) US Bank Acct#\*\*\*\*7203 in the name of AMY SCARPELLI (hereinafter "SCARPELLI")(all remaining contents approximately \$5,240.16);

(2) US Bank Acct#\*\*\*\*3132 in the name of DEANNA LEIS (hereinafter "LEIS") (all remaining contents approximately \$28,993.02);

(3) US Bank Acct#\*\*\*\*0449 in the name of DEANNA LEIS (all remaining contents approximately of \$2,824.95);

(4) All property contained in Safe Deposit Box # 90 at US Bank, Miamisburg, Ohio, in the name of WILLIAM WAX (hereinafter "WAX");

(5) 2006 Bentley Industries Pontoon Boat HIN: BN123099A606 with trailer, in the name of MELANIE MCCULLY (hereinafter "MCCULLY");

(6) 2001 Bennington (Pontoon) Boat, HIN: ETW10203K001 with trailer, in the name of DEANNA LEIS;

(7) 1998 Godfrey Rinker (Pleasure) Boat, HIN: RNK57320T798 with trailer, in the name of DEANNA LEIS;

(8) 2007 Mountaineer Camper, VIN: 4YDT32P227M730449, in the name of DEANNA LEIS;

(9) 2002 Mountaineer Camper, VIN: 4YDT3102422077681, in the name of MELANIE MCCULLY;

(10) 2012 Honda GL 1800 Motorcycle, VIN: JH2SC68G2CK000960, in the name of CHARLES A. LEIS, JR. (hereinafter "CHARLES LEIS");

(11) 2012 White Suzuki Motor Bike, VIN: JS1CP51B7C2100041, in the name of DEANNA LEIS;

(12) 2008 Suzuki Motorcycle, VIN: JS1CP51B682100054, in the name of DEANNA LEIS;

(13) 2007 Suzuki Motorcycle, VIN: JS1CK44A772102289, in the name of MELANIE MCCULLY;

(14) 2006 Suzuki Motor Bike, VIN: JS1CP51A062100748, in the name of DEANNA LEIS;

(15) 2005 Suzuki Motor Bike, VIN: JS1CK43A652102105, in the name of DEANNA LEIS;

(16) 1967 Chevy Camaro, VIN: 123377N250397, in the name of DEANNA LEIS;

(17) 1967 Chevy Camaro, VIN: 124377N132735, in the name of DEANNA LEIS;

(18) 2008 Nissan ATS, VIN: 1N4AI21E58C144726, in the name of DEANNA LEIS;

(19) 2005 Nissan Titan Pickup, VIN: 1N6BA07A55N553903, in the name of DEANNA LEIS; and

(20) EZ Go Golf Cart, VIN: 2543765, in the name of DEANNA LEIS;

b. as there is probable cause to believe SCARPELLI committed the following violations:

(1) 18 U.S.C. § 656 (Bank Embezzlement);

(2) 18 U.S.C. § 1005 (Fraudulent Bank Transactions);

(3) 18 U.S.C. § 1028A (a)(1) and (c)(2) and (5) (Aggravated Identity Theft);

(4) 18 U.S.C. § 1029(a)(2) and (5) (Access Device Fraud);

(5) 18 U.S.C. § 1343 (Wire Fraud);

(6) 18 U.S.C. § 1344 (Bank Fraud);

(7) 18 U.S.C. § 371 (Conspiracy);

(8) 31 U.S.C. § 5324(a)(3) (Structuring a Financial Transaction);

(9) 31 U.S.C. § 5324(a)(1) (Causing Financial Institution to Evade Reporting Req.);

(10) 18 U.S.C. § 1956 (Money Laundering);

(11) 18 U.S.C. § 1956(h) (Conspiracy to Commit Money Laundering); and

(12) 18 U.S.C. § 1957 (Laundering Monetary Instruments in Excess of \$10,000.00);

c. and the assets are subject to forfeiture pursuant to:

(1) 18 U.S.C. § 981(a)(1)(C)(civil forfeiture) as property, real or personal which constitutes or is derived from proceeds traceable to a violation of 18 U.S.C. § 656 (Bank Embezzlement), 18 U.S.C. § 1005 (Fraudulent Bank Transactions); 18 U.S.C. § 1029 (Access Device Fraud), 18 U.S.C. § 1344 (Bank Fraud) or any offense constituting "specified unlawful activity" ("SUA") as defined in 18 U.S.C. § 1956(c)(7) which includes 18 U.S.C. § 1028A (Aggravated Identity Theft); 18 U.S.C. § 1343 (Wire Fraud); 18 U.S.C. § 1956 (Money Laundering), 18 U.S.C. § 1957 (Laundering SUA Proceeds in Excess of \$10,000.00); or a conspiracy to commit such offense;

(2) 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)(criminal forfeiture) as property, real or personal which constitutes or is derived from proceeds traceable to a violation of any offense constituting "specified unlawful activity" as defined in 18 U.S.C. § 1956(c)(7) which includes 18 U.S.C. § 1028A (Aggravated Identity Theft); or a conspiracy to commit such offense;

(3) 18 U.S.C. § 981(a)(2)(criminal forfeiture) as property constituting or derived from proceeds the person obtained directly or indirectly, as a result of a violation of, or a conspiracy to violate 18 U.S.C. § 656 (Bank Embezzlement), 18 U.S.C. § 1005 (Fraudulent Bank Transactions), 18 U.S.C. § 1343 (Wire Fraud) or 18 U.S.C. § 1344 (Bank Fraud) affecting a financial institution or a violation or conspiracy to violate 18 U.S.C. § 1029 (Access Device Fraud);

(4) 18 U.S.C. § 1029(e)(criminal forfeiture) as any property used or intended to be used to commit an offense in violation of 18 U.S.C. § 1029;

(5) 18 U.S.C. § 981(a)(1)(A)(civil forfeiture) as property involved in a transaction or attempted transaction in violation of 18 U.S.C. § 1956 or 18 U.S.C. § 1957, or any property traceable to such property;

(6) 18 U.S.C. § 982(a)(1)(criminal forfeiture) as property involved in an offense in violation of 18 U.S.C. § 1956 (Money Laundering) or 18 U.S.C. § 1957 (Monetary Transactions in Excess of \$10,000.00), or any property traceable to such property;

(7) 31 U.S.C. § 5317(c)(2)(civil forfeiture) as property involved in a violation of 31 U.S.C. § 5313 or 31 U.S.C. § 5324, or any conspiracy to commit such violation, and any property traceable to any such violation or conspiracy; and/or

(8) 31 U.S.C. § 5317(c)(1)(criminal forfeiture) all property, real or personal, involved in an offense in violation of 31 U.S.C. § 5324 or 5313, or any conspiracy to commit such violation, and any property traceable thereto.

4. This affidavit is intended to show only that there is sufficient probable cause for the seizure and does not purport to set forth all of my knowledge of, or investigation into, this matter. The facts and information contained in this affidavit are based on, among other things, my personal knowledge, my training and experience, as well as my conversation with various witnesses, including law enforcement personnel who have participated in this investigation, and the review of certain documents and records.

### III. VIOLATIONS

5. During April 2014, your Affiant was advised by West Carrollton Police Department ("WCPD") Detective Bob Bell that an employee of US Bank at 515 East Central Avenue, Miamisburg, Ohio ("Miamisburg Branch") had embezzled over \$5,000,000.00. Over the following months, your Affiant and Detective Bob Bell have participated in numerous conversations with representatives of US Bank concerning SCARPELLI's illegal activities.

6. At all times relevant, the US Bank Miamisburg Branch was insured by the Federal Deposit Insurance Corporation (FDIC).

7. Your Affiant's investigation revealed that after SCARPELLI'S promotion to branch manager and continuing through on or about April 23, 2014, SCARPELLI embezzled money from US Bank, by engaging in a pattern of fraudulent financial transactions, including withdrawing funds in increments of \$25,000.00 to \$45,000.00 from US Bank's Loan In Transit (LIT) account, which SCARPELLI fraudulently represented were withdrawals to cover a business customer's usage of its line of credit, and which SCARPELLI fraudulently represented were paid back by the customer (hereinafter "RRSI"). However, SCARPELLI was in fact using RRSI's account to conduct fraudulent transactions resulting in a loss of more than \$5,000,000.00 from US Bank in violation of 18 U.S.C. § 656 (Bank Embezzlement), 18 U.S.C. § 1005 (Fraudulent Bank Transactions), 18 U.S.C. § 1028A (a)(1) and (c)(2) and (5) (Aggravated Identity Theft); 18 U.S.C. § 1029(a)(2) and (5) (Access Device Fraud); 18 U.S.C. § 1343 (Wire Fraud) and 18 U.S.C. § 1344 (Bank Fraud).

8. SCARPELLI structured out the \$25,000.00 to \$45,000.00 withdrawals and avoided triggering US Bank's obligation to file a Currency Transaction Report (CTR) by creating an elaborate series of cashier's checks and CASH OUT CREDIT tickets in amounts less than \$10,000.00 in violation of 31 U.S.C. § 5324(a)(Structuring).

9. SCARPELLI, her current domestic partner DEANNA LEIS and her former domestic partner MELANIE MCCULLY then engaged in money laundering and a money laundering conspiracy in violation of 18 U.S.C. § 1956(h) by:

a. depositing the cash proceeds of the violations into US bank accounts or safe deposit boxes belonging to SCARPELLI, LEIS, MCCULLY, CHARLES LEIS and WAX in order to conceal or disguise the source of the cash; and by concealing the nature, source, location, ownership or control of the assets purchased with the proceeds of the violations by putting the assets in nominee names, all in violation of 18 U.S.C. § 1956; and



b. spending \$10,000.00 or more of the proceeds of the violations to acquire assets in violation of 18 U.S.C. § 1957.

### **BANK EMBEZZLEMENT**

10. Between approximately 1996 and April 30, 2014, SCARPELLI worked at the US Bank Miamisburg Branch holding various positions at the financial institution. Beginning in approximately 2005, US Bank promoted SCARPELLI to a Level II branch manager at the Miamisburg Branch. In this capacity, SCARPELLI had the ability to authorize certain financial transactions absent approval from any other bank official.

11. SCARPELLI knew of and used the following policies and practices of the Miamisburg Branch to carry out her scheme:

a. Whenever a teller opens their teller window for business, they must log into the terminal station computer using their employee user identification (ID) number. If a teller needs to leave their window for an extended period, they must log off.

b. US Bank permitted branch managers, including SCARPELLI, to provide temporary relief to tellers and cover a teller's station during lunch breaks or when the bank became busy. To facilitate this process, US Bank provided SCARPELLI a unique employee ID number: FN7484. Unlike typical branch managers, SCARPELLI assigned herself a teller window. US Bank indicated that it was highly unusual for a branch manager such as SCARPELLI to routinely work at and use a teller station.

c. SCARPELLI worked at the only teller station with cashier check stock and a cashier's check printer.

d. When a business customer with a line of credit with US Bank asks for an advance on their line of credit at their local branch, the following process is followed:

(1) The employee conducting the draw on the business customer's line of credit uses the bank's LIT account to withdraw the funds. The LIT account is the account US Bank uses to fund advances on a customer's line of credit.

(2) To access the LIT account the employee creates a LIT ticket. The ticket is a piece of paper that looks like a deposit slip. On the LIT ticket, the employee identifies the amount requested, the business name and account number, the date and the employee preparing the LIT ticket. Each LIT ticket has a preprinted Serial Number.

(3) After preparing the LIT ticket, the employee enters all the information on the LIT ticket into US Bank's computer system. After entering the information from the LIT ticket into the computer, the employee then takes the LIT ticket and puts it into a machine called a "validator". Each work station has a validator. The validator works a little like a time stamp machine. The validator stamps the LIT

