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★ FEB 22 2007 ★

RPD:DMJ
F.#2003R00454

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

LONG ISLAND OFFICE

- - - - -X

UNITED STATES OF AMERICA

S U P E R S E D I N G
I N D I C T M E N T

- against -

ERIKS PUKKE, also known as
"Eric Parker,"
AIMEE PUKKE, also known as
"Aimee Vaccarelli" and
"Aimee Vacca,"
BRADLEY DORMAN,
LOUIS MUSTACHIO and
DANIEL RUGGIERO,

Cr. No. 06 CR 0206(S-1)(JS)
(T. 18, U.S.C., §§ 371, 1341,
981(a)(1)(C), 2 and 3551
et seq.; T. 21, U.S.C.,
§ 853(p); T. 28, U.S.C.,
§ 2461(c))

Defendants.

- - - - -X

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Superseding Indictment,
unless otherwise indicated:

1. Ameridebt, Inc. ("Ameridebt") was a corporation
formed in December 1996 under the laws of the State of Maryland,
organized as a non-profit credit counseling agency ("CCA") and
recognized as exempt from federal taxation under Title 26, United
States Code, Section 501(c)(3). Ameridebt maintained an office at
775 Park Avenue, Huntington, New York.

2. Debticated Consumer Counseling, Inc. ("Debticated")
was a corporation formed in April 2000 under the laws of the State
of New York, organized as a non-profit CCA and recognized as exempt

from federal taxation under Title 26, United States Code, Section 501(c)(3). Debticated was formed through the purchase of the assets of the Huntington, New York offices of Ameridebt and the retention of its employees. Debticated's principal place of business was in Huntington, New York. Debticated maintained checking accounts with the Chase Manhattan Bank N.A., including an operating account (the "operating account") and a payroll checking account (the "payroll account").

3. In or about and between 1997 and 2000, the defendants ERIKS PUKKE, also known as "Eric Parker," AIMEE PUKKE, also known as "Aimee Vaccarelli" and "Aimee Vacca," BRADLEY DORMAN, LOUIS MUSTACHIO and DANIEL RUGGIERO were employed by Ameridebt as "financial counselors." In or about March 2000, the defendant ERIKS PUKKE, also known as "Eric Parker," became Ameridebt's branch office manager.

4. In or about and between 2000 and May 2003, the defendant ERIKS PUKKE was employed as Debticated's President and was responsible for its day-to-day operations including, among other things, signing checks drawn on the operating and payroll accounts. During that time, the defendants DORMAN, MUSTACHIO and RUGGIERO were employed as managers at Debticated and their responsibilities included the supervision of sales agents who solicited consumers seeking debt counseling services to enroll in debt management plans ("DMPs") promoted by Debticated. The

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defendants DORMAN, MUSTACHIO and RUGGIERO, at various times, also worked as sales agents directly soliciting consumers seeking debt counselling services. The defendant AIMEE PUKKE was also employed at Debticated as a sales agent.

5. A DMP was an arrangement whereby a CCA would, among other things, arrange more favorable terms with creditors and set up a monthly payment schedule for a consumer who had significant debt problems. The DMP enabled an enrolled consumer to make a consolidated monthly payment to the CCA which, in turn, would pay the consumer's creditors.

6. Debticated was one of multiple CCAs affiliated with a for-profit corporation known as Debtworks, Inc. ("Debtworks"). Debtworks was a corporation formed under the laws of the State of Maryland and had its principal place of business in Germantown, Maryland. Debtworks had a contractual relationship with Debticated under which Debtworks received a portion of the DMP revenues generated by Debticated as payment for DMP-related services provided by Debtworks.

7. After a consumer contacted Debticated to inquire about a DMP, the responsible sales agent sent the consumer several documents, including a "Welcome Package," providing information about the DMP, and a document titled "Agreement" which purported to set forth the terms of operation of the DMP and which the consumer was required to sign in order to enroll in the DMP. Upon receipt

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of the executed Agreement and an initial payment, Debticated forwarded the consumer's file to Debtworks, which in turn contacted the consumer's creditors to establish and administer the DMP.

THE SCHEME TO DEFRAUD

8. The defendants ERIKS PUKKE, AIMEE PUKKE, DORMAN, MUSTACHIO and RUGGIERO, together with others, made and caused to be made materially false and fraudulent representations and engaged in fraudulent and deceptive sales practices designed to induce consumers to enroll in Debticated DMPs. Among the fraudulent techniques are those described below.

9. The defendants ERIKS PUKKE, DORMAN, MUSTACHIO and RUGGIERO, together with others, instructed and directed sales agents to make high pressure, false and misleading sales pitches to consumers aimed at convincing them to enroll in Debticated DMPs. Most of the sales pitches and so-called "rebuttals" to consumer questions were scripted and the defendants ERIKS PUKKE, DORMAN, MUSTACHIO and RUGGIERO, together with others, trained and supervised sales agents in the use of these scripts.

10. Using the scripts, the sales agents deliberately misrepresented, among other things, that the consumer's initial payment to Debticated under the consumer's DMP would be applied toward Debticated's costs in establishing the DMP and negotiating with the consumer's creditors when, in fact, this payment was used to pay (i) 20% to 30% sales commissions to the sales agent

responsible for successfully pitching that consumer; (ii) sales-based incentive bonuses to sales agents; (iii) commissions and sales-based incentive bonuses to managers of the sales agents; and (iv) other costs unrelated to debt management, including advertising and purchasing so-called "leads" from vendors to assist in locating and pitching additional potential consumers.

11. It was a further part of the scheme to defraud that sales agents, including the defendant AIMEE PUKKE, acting on the instructions and at the direction of ERIKS PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others, falsely promised consumers that enrollment in a DMP would drastically reduce or eliminate credit card interest rates. Sales agents also falsely represented that enrolling in a DMP would have no negative effect on the consumer's credit rating and might even improve the consumer's rating.

12. Sales agents, including the defendant AIMEE PUKKE, acting on the instructions and at the direction of the defendants ERIKS PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others, misrepresented Debticated's ability to secure a beneficial loan for DMP-enrolled consumers by falsely stating that consumers who made six or seven monthly payments to a Debticated DMP qualified for a low interest unsecured loan, when the defendants well knew and believed that the loans were available only at high interest rates of approximately 17% and that the DMP-enrolled consumers were almost always denied such loans. The sales agents, acting on the instructions and at

the direction of the defendants ERIKS PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others, also falsely represented that they were personally conducting negotiations with the consumers' creditors when, in fact, no such negotiations were being conducted.

13. Additionally, the defendants ERIKS PUKKE, AIMEE PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others sent false and misleading promotional materials and Agreements to consumers. The promotional materials misrepresented, among other things, that the consumer would not incur start-up costs in enrolling with Debticated. The Agreements that ERIKS PUKKE, AIMEE PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others sent to consumers misrepresented, among other things, that the initial payment was a "voluntary" contribution, and that Debticated would assist the consumer even if the consumer did not remit an initial payment or "voluntary" contribution. In fact, as ERIKS PUKKE, AIMEE PUKKE, DORMAN, MUSTACHIO, RUGGIERO and others well knew and believed, each consumer was required to remit the initial payment before a Debticated sales agent would start any debt management program.

14. When a consumer declined to make the "voluntary contribution" to Debticated, the managers, including the defendants DORMAN, MUSTACHIO, RUGGIERO and others, contacted the consumer and pressured the consumer to make the "voluntary" contribution. In doing so, the defendants DORMAN, MUSTACHIO and RUGGIERO made numerous misrepresentations regarding the "voluntary" contribution,

including telling consumers that the "voluntary" contribution would enable Debticated to help other consumers. In fact, as described above, Debticated did not provide assistance to consumers who did not make the "voluntary" contribution to Debticated.

COUNT ONE
(Mail Fraud Conspiracy)

15. The allegations contained in paragraphs 1 through 14 are realleged and incorporated as if set forth fully in this paragraph.

16. In or about and between 1997 and May 2003, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants ERIKS PUKKE, also known as "Eric Parker," AIMEE PUKKE, also known as "Aimee Vaccarelli" and "Aimee Vacca," BRADLEY DORMAN, LOUIS MUSTACHIO and DANIEL RUGGIERO, together with others, did knowingly and willfully conspire to devise a scheme and artifice to defraud consumers, and to obtain money and property from consumers by means of materially false and fraudulent pretenses, representations and promises and, for the purpose of executing such scheme and artifice, and attempting to do so, to place and cause to be placed in post offices and authorized depositories for mail matter matters and things to be sent and delivered by the United States Postal Service and commercial interstate carriers according to the directions thereon, in violation of Title 18, United States Code, Section 1341.

17. In furtherance of the conspiracy and to effect the

objects thereof, within the Eastern District of New York and elsewhere, the defendants ERIKS PUKKE, also known as "Eric Parker," AIMEE PUKKE, also known as "Aimee Vaccarelli" and "Aimee Vacca," BRADLEY DORMAN, LOUIS MUSTACHIO and DANIEL RUGGIERO, together with others, committed and caused to be committed, among others, the following:

OVERT ACTS

- a. On or about June 12, 2000, in Huntington, New York, the defendant ERIKS PUKKE executed an IRS form 1023 on behalf of Debticated.
- b. On or about November 29, 2002, in Huntington, New York, the defendant ERIKS PUKKE signed check number 12597 in the amount of \$300,000 drawn on the operating account payable to Debtworks.
- c. On or about December 11, 2002, in Huntington, New York, the defendant AIMEE PUKKE endorsed check number 242333 drawn on the payroll account.
- d. On or about December 31, 2002, in Farmingville, New York, the defendant DORMAN endorsed check number 242695 drawn on the payroll account.
- e. On or about January 3, 2003, in Huntington, New York, the defendant MUSTACHIO endorsed check number 242688 drawn on the payroll account.
- f. On or about January 6, 2003, in Huntington, New

York, the defendant RUGGIERO endorsed check number 242697 drawn on the payroll account.

g. On or about January 6, 2003, in Huntington, New York, the defendant RUGGIERO endorsed check number 242714 drawn on the payroll account.

h. On or about January 9, 2003, in Huntington, New York, the defendant AIMEE PUKKE endorsed 242702 drawn on the payroll account.

i. On or about January 9, 2003, in Huntington, New York, the defendant AIMEE PUKKE endorsed check number 242505 drawn on the payroll account.

j. On or about January 11, 2003, in Huntington, New York, the defendant MUSTACHIO endorsed check number 242648 drawn on the payroll account.

k. On or about January 11, 2003, in Huntington, New York, the defendant MUSTACHIO endorsed check number 242690 drawn on the payroll account.

l. On or about January 30, 2003, in Huntington, New York, the defendant ERIKS PUKKE signed check number 243036 in the amount of \$534.12 drawn on the payroll account.

m. On or about January 30, 2003, in Huntington, New York, the defendant ERIKS PUKKE signed check number 242989 in the amount of \$1,058.27 drawn on the payroll account.

n. On or about January 30, 2003, in Huntington,

New York, the defendant ERIKS PUKKE signed check number 242988 in the amount of \$1,305.80 drawn on the payroll account.

o. On or about January 30, 2003, in Huntington, New York, the defendant ERIKS PUKKE signed check number 13138 in the amount of \$20,372.00 drawn on the operating account.

p. On or about January 30, 2003, in Huntington, New York, the defendant ERIKS PUKKE signed check number 13145 in the amount of \$400,000 drawn on the operating account payable to Debtworks.

q. In or about January 2003, in Huntington, New York, the defendant DORMAN spoke by telephone with Jane Doe, an individual whose identity is known to the grand jury.

(Title 18, United States Code, Sections 371 and 3551 et seq.)

COUNTS TWO THROUGH TWENTY-TWO
(Mail Fraud)

18. The allegations contained in paragraphs 1 through 14 are realleged and incorporated as if fully set forth in this paragraph.

19. On or about the dates set forth below, within the Eastern District of New York and elsewhere, the defendants ERIKS PUKKE, also known as "Eric Parker," AIMEE PUKKE, also known as "Aimee Vaccarelli" and "Aimee Vacca," BRADLEY DORMAN, LOUIS MUSTACHIO and DANIEL RUGGERIO, together with others, did knowingly and intentionally devise a scheme and artifice to defraud

consumers, and to obtain money and property from consumers by means of materially false and fraudulent pretenses, representations and promises and, for the purpose of executing such scheme and artifice, and attempting to do so, placed and caused to be placed in post offices and authorized depositories for mail matter matters and things to be sent and delivered by the United States Postal Service and commercial interstate carriers according to the directions thereon, as set forth below:

COUNT	APPROXIMATE DATE OF MAILING	DEPENDANT	DESCRIPTION OF MAILING	DESTINATION ADDRESS
2	April 9, 2002	ERIKS PUKKE DANIEL RUGGIERO	Money Order	5028 Bahama Dr. Pittsburgh, Pennsylvania
3	April 17, 2002	ERIKS PUKKE DANIEL RUGGIERO	Money Order	417 Anderson St. Winona, Mississippi
4	June 20, 2002	ERIKS PUKKE AIMEE PUKKE	Letter	745 Bienville St., La Place, Louisiana
5	June 24, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Money Order	13451 N.E. 22nd Avenue Okeechokee, Florida
6	June 26, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Money Order	3943 Redondo St. Riverside, California
7	June 28, 2002	ERIKS PUKKE AIMEE PUKKE	Letter	134 Margaret Avenue San Francisco, California
8	July 2, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Welcome Package	P.O. Box 222191 Newhall, California
9	July 22, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Check	1223 Race #404 Denver, Colorado

COIN#	APPROXIMATE DATE OF MAILING	SENDER	DESCRIPTION OF MAILING	DESTINATION ADDRESS
10	July 31, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Money Order	777 Bernon St. Woonsocket, Rhode Island
11	September 4, 2002	ERIKS PUKKE AIMEE PUKKE	Letter	451 North Main St., Red Lion, Pennsylvania
12	September 6, 2002	ERIKS PUKKE LOUIS MUSTACHIO DANIEL RUGGIERO	Welcome Package	107 Brentwood Dr., Warner Robins, Georgia
13	September 9, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Money Order	68 Setters Lane Donalds, South Carolina
14	September 15, 2002	ERIKS PUKKE AIMEE PUKKE	Welcome Package	15413 Lakeshore Villa Road, Lot #49 Tampa, Florida
15	September 20, 2002	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Welcome Package	317 Country Club Rd., Red Lion, Pennsylvania
16	September 25, 2002	ERIKS PUKKE DANIEL RUGGIERO	Welcome Package	830 Grant St. Creighton, Pennsylvania
17	September 27, 2002	ERIKS PUKKE DANIEL RUGGIERO	Welcome Package	4 Tupelo Dr. Old Bridge, New Jersey
18	October 2, 2002	ERIKS PUKKE DANIEL RUGGIERO	Welcome Package	AFRH-W 489 P.O. Box 2 Washington, D.C.
19	November 9, 2002	ERIKS PUKKE DANIEL RUGGIERO	Letter	302 East Gum Rd. Carterville, Missouri
20	November 11, 2002	ERIKS PUKKE AIMEE PUKKE	Welcome Package	2025 West Summit Avenue, San Antonio, Texas
21	December 20, 2002	ERIKS PUKKE DANIEL RUGGIERO	Welcome Package	2031 Key Street Apt. B Moumee, Ohio

COUNT	DATE OF PAYMENT	DEFENDANT	DESCRIPTION	DESTINATION ADDRESS
22	January 27, 2003	ERIKS PUKKE BRADLEY DORMAN LOUIS MUSTACHIO DANIEL RUGGIERO	Money Order	1311 Covington Drive Tallahassee, Florida

(Title 18, United States Code, Sections 1341, 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION

20. The United States hereby gives notice to the defendants charged in Counts One through Twenty-Two above that, upon his or her conviction of such offense(s), the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offense, including but not limited to the following:

MONEY JUDGMENT

A sum of money equal to \$24,000,000 in United States currency.

21. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with,

a third party;

(c) has been placed beyond the jurisdiction of the court;

(d) has been substantially diminished in value; or

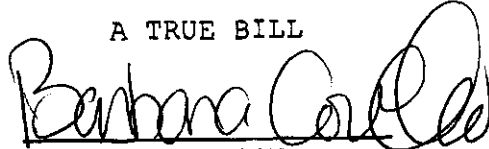
(e) has been commingled with other property which cannot

be divided without difficulty;

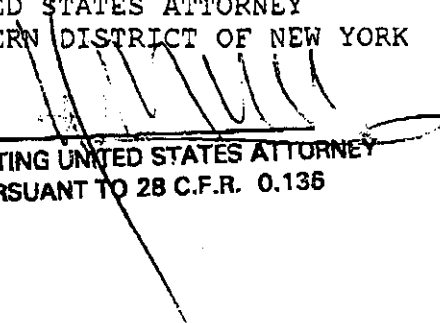
it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 28, United States Code, Section 2461(c); Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p))

A TRUE BILL


FOREPERSON

ROSLYNN R. MAUSKOPF
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK


BY:
ACTING UNITED STATES ATTORNEY
PURSUANT TO 28 C.F.R. 0.136

No.

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

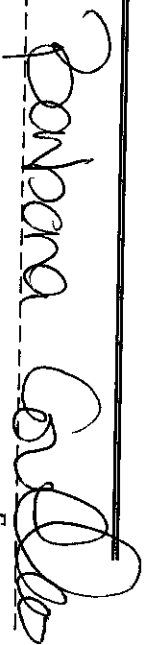
ERIKS PUKKE, a/k/a "Erick Parker," AIMEE PUKKE, a/k/a "Aimee Vaccarelli?"
and "Aimee Vacca.; BRADLEY DORMAN, LOUIS MUSTACHIO
AND DANIEL RUGGIERO

Defendants.

**SUPERSEDING
INDICTMENT**

T. 18, U.S.C., §§ 371, 1341, 981 (a) (1) (c) 2, and 3551 et seq.;
T. 21, U.S.C. § 853 (p); T. 28, U.S.C., § 246 (c)

A true bill.


Foreman

Filed in open court this _____ day,

of _____ A.D. 19 _____

Clerk

Bail, \$ _____

DEMETRI JONES AUSA (631) 715-7840