



U.S. Department of Justice

R. Alexander Acosta
United States Attorney for the
Southern District of Florida

99 N.E. 4th Street
Miami, FL 33132
(305) 961-9001

PRESS RELEASE

FOR IMMEDIATE RELEASE

June 30, 2005

For Information Contact Public Affairs

Yovanny Lopez, Public Affairs Specialist, (305) 961-9316

TWO BROTHERS SENTENCED FOR RUNNING \$1.2 MILLION DOLLAR CHECK FRAUD RING AND PIRATING DIRECTV SATELLITE PROGRAMMING

R. Alexander Acosta, United States Attorney for the Southern District of Florida, and William T. Sims, Special Agent in Charge, United States Secret Service, Miami Field Office, announced today that defendants, **Gilberto Felix** and **Julio Felix**, were sentenced by United States District Court Judge Cecilia M. Altonaga to fourteen and ten years in prison, respectively, mandatory restitution to the victims, and five years of supervised release. The sentence was the maximum under the federal sentencing guidelines. Judge Altonaga also ordered the two brothers to pay \$1.2 million in forfeitures, including the forfeiture of their interests in two homes, nine bank accounts, and an online escrow account with a service known as PayPal. The Felix brothers both pleaded guilty to conspiring to commit check fraud, wire fraud, and the pirating of DirecTV satellite programming, as well as substantive check fraud and wire fraud charges. Gilberto Felix also plead guilty to Social Security fraud.

On April 22, 2004, a federal Grand Jury sitting in Miami returned charges against the Felix brothers and seventeen other co-conspirators in a ninety-five (95) count Indictment. To date, eighteen of the nineteen defendants have been apprehended, and seventeen have since pleaded guilty.

The defendants that have pleaded guilty and been sentenced are: **Gilberto Felix, Julio Felix, Garry Tubby, Philip Dickinson, Lisa Cundiff, Marilyn Novel Blue, Sylvio Vitiello, Gene Laforest, Ashley Carter, Linda Brinker, Zona Russano, Dasniel David Barrera, Verne Edward Bell, Odalis Melendez, Keirsten Shestik, Gerard Olivier, and Eugenie Hasbrouck.** One original defendant-fugitive was apprehended last week, **David Brown**, and one original defendant still remains at large as a fugitive, **Marck Van Tuyl**. Three additional defendants have since been added to the Indictment, arrested, and are pending trial: **Kimberly Mattox, Douglas Naclerio, and Angelica Pallas.**

This long-term United States Secret Service investigation uncovered a vast, complex check fraud scheme that operated from about May of 1996 until April of 2004. There was also a conspiracy to reprogram access cards manufactured by NDS Americas for the piracy of DirecTV satellite television programming. In total, this fraud involved the obtaining of hundreds of genuine Florida identification cards with counterfeit documents and the uttering of thousands of counterfeit personal and corporate checks that affected hundreds of small businesses throughout South Florida. The total loss amount currently known by law enforcement exceeds \$1.2 million for the check fraud and \$600,000 for the piracy of DirecTV satellite television programming. The scheme is described below:

• **Obtaining Genuine Identification Cards**

The conspiracy involved defendant Gilberto Felix creating counterfeit birth certificates and other personal identification documents – such as false Social Security numbers and counterfeit W-2 wage and earnings statements – to obtain valid, official Florida photo identification (“ID”) cards from the State of Florida’s Department of Highway and Motor Vehicle Safety. In addition to using these forged documents personally to obtain genuine Florida ID cards in fictitious names, Gilberto Felix also recruited others, often drug addicts, to use these forged personal identification documents to obtain genuine ID cards in false names. These persons then became the check writers in the check fraud conspiracy. One defendant, Gary Tubby, obtained at least 90 different genuine Florida ID cards in fictitious names. In total, hundreds of such genuine Florida ID cards were obtained during the course of the conspiracy.

• **Using Counterfeit Checks to Buy Items at Retail Merchants in South Florida**

With the fraudulently obtained Florida ID cards, Gilberto Felix and the co-conspirator check writers would use counterfeit personal and corporate checks to purchase merchandise at major retail businesses in South Florida. These counterfeit checks were produced by Gilberto Felix, and the corporate checks contained the names of real, local South Florida small businesses. In total, the names of hundreds of small businesses were used on these counterfeit business checks. The counterfeit checks were then taken by the check writers to stores such as Best Buy, BrandsMart USA, Circuit City, Comp USA, Home Depot, Lowe’s, Office Depot, and Office Max, among others, to purchase high-end electronic merchandise.

• **Selling Fraudulently-Obtained Items on eBay’s Website**

After the merchandise was purchased, it would often be provided to Julio Felix, who would post many of the items for sale on eBay, Inc.’s online auction website. Using his eBay account, Julio Felix conducted more than 1,000 auctions, selling high-end electronics merchandise and other items, repeatedly listed as NIB, or “new in box.” His total sales on eBay were in excess of \$360,000 dollars. The Felix brothers used this money to pay their mortgages, lease cars, and buy luxury items.

• **Pirating DirecTV Satellite Programming**

As a part of this conspiracy, check writers would sometimes obtain satellite systems for DirecTV with counterfeit checks, and those systems would be delivered to Julio Felix, who would reprogram the access cards to allow for the illegal interception of satellite television programming. The loss associated with this criminal activity has been calculated at more than \$600,000.

Mr. Acosta commended the investigative efforts of the United States Secret Service who led this investigation, the U.S. Postal Inspection Service, and the Inspector General’s Office of the Social Security Administration, as well as state and local law enforcement agencies, including

the Florida Highway Patrol and the Pembroke Pines Police Department, and the assistance provided to federal authorities by a number of private companies. This case is being prosecuted by Assistant United States Attorney Charles Duross.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.

[Return to Press Release Page](#)

Technical comments about this website can be e-mailed to the [Webmaster](#). PLEASE NOTE: The United States Attorney's Office does not respond to non-technical inquiries made to this website. If you wish to make a request for information, you may contact our office at 305-961-9001, or you may send a written inquiry to the United States Attorney's Office, Southern District of Florida, 99 NE 4th Street, Miami, Fl. 33132.