

allowed people with hearing disabilities to communicate with hearing individuals online through the use of interpreters and web cameras. A person with a hearing disability could communicate with a hearing person by contacting a VRS provider through an audio and video internet connection. The VRS provider, in turn, employed a Video Interpreter ("VI") to view and interpret the hearing disabled person's conversation using American Sign Language and relay the signed conversation orally to a hearing person. VRS also allowed a hearing person to initiate contact with a hearing disabled person through a VI.

3. TRS, including VRS, was funded by fees assessed by the Federal Communications Commission ("FCC") on all common carriers providing interstate telecommunications services. The fees were generally passed on to consumers through charges included in consumers' telephone bills. The fees were deposited into the TRS Fund.

4. The TRS Fund was established by the FCC in 1993 and was the mechanism for collecting and disbursing TRS funds to companies that provided VRS. The National Exchange Carrier Association ("NECA") was responsible for, among other things, administering the TRS Fund.

5. "Certified VRS Providers" were eligible to bill NECA directly, and be reimbursed by NECA directly, for VRS calls that were processed by the Certified VRS Provider, its contractors, and subcontractors. Among the types of VRS calls that would not be reimbursed by NECA were: (a) calls that were based on financial

incentives provided to the VRS caller to make the VRS call; (b) calls that were made for the purpose of generating VRS minutes for reimbursement; (c) calls during which little to no communication or interpreting occurred; and (d) calls that were made by an individual because the individual was required or obligated to make the calls using a particular VRS provider (collectively, the "Bogus Calls").

6. The TRS Fund reimbursed Certified VRS Providers at the rate of approximately \$6.73 per minute (or approximately \$403.80 per hour) for the first 50,000 minutes billed in any given month, approximately \$6.46 per minute (approximately \$387.60 per hour) for minutes 50,001 through 500,000, and approximately \$6.26 per minute (approximately \$375.60 per hour) for all minutes over 500,000.

Relevant Entities and Defendants

7. NECA was a non-profit association that administered the TRS Fund, acting as agent for the federal government. This function included collecting carriers' annual contributions, receiving claims for reimbursement from Certified VRS Providers, and making payments on behalf of the FCC to Certified VRS Providers for these claims. NECA was headquartered in Whippany, New Jersey, in Morris County.

8. When billing NECA, Certified VRS Providers would submit their monthly claims and requests for payment ("Claims"), along with the required backup documentation, to NECA. NECA paid the Certified VRS Provider out of the TRS Fund, a function that the FCC contracted to NECA. VRS calls processed in a given month by the Certified VRS Provider, its contractors, and subcontractors typically were

incorporated into a Claim and submitted to NECA for payment/reimbursement.

9. Communications Access Center for the Deaf and Hard of Hearing, Inc. ("CAC") was a Certified VRS Provider based in Flint, Michigan. CAC provided VRS through its own call centers and also contracted with outside entities to operate VRS call centers. A call center is, among other things, a physical location where VIs are stationed to interpret and process VRS calls. The VRS calls processed through CAC's call centers, as well as the VRS calls processed by call centers of CAC's contractors and subcontractors, were billed by CAC to NECA using interstate email communications and the U.S. Mail.

10. Hawk Relay, LLC ("Hawk Relay") was a Delaware corporate entity established in or around October 2006 with its principal place of business in Philadelphia, Pennsylvania. In or about March 2007, CAC contracted with Hawk Relay, purportedly to provide CAC with training and support services. The business relationship extended, in some capacity, through at least November 2008. During the course of its relationship with CAC, Hawk Relay made available to VRS callers three Uniform Resource Locators ("URLs"), or internet addresses, which individuals could use to make VRS calls through CAC's call centers, or call centers of CAC's contractors and/or subcontractors. Under the arrangement between CAC and Hawk Relay, CAC typically paid Hawk Relay, each month, based on a percentage of monies CAC received from NECA for VRS calls that were originated through Hawk Relay's URLs, processed by CAC, and reimbursed by NECA.

11. At all relevant times, Defendant SAMUEL HAWK owned and operated Hawk Relay.

12. In or around December 2008, Hawk Relay began to provide VRS service as a Certified VRS Provider. Hawk Relay processed VRS calls through at least April 2009 and billed the government, directly, for VRS calls up until at least March 2009.

13. BONHEYO & BONHEYO, LLC ("B&B") was a Delaware corporate entity that was established in or around November 2006 with its principal place of business in Frederick, Maryland. In or around April 2007, B&B subcontracted with Hawk Relay purportedly to provide marketing services for Hawk Relay. The business relationship extended through at least January 2009. Under the arrangement between Hawk Relay and B&B, Hawk Relay typically paid B&B, each month, based on a percentage of the monies CAC received from NECA for VRS calls that were originated through Hawk Relay's URLs, processed by CAC, and reimbursed by NECA. At all relevant times, B&B was owned and operated by co-conspirators Bridget Bonheyo and Jerome Bonheyo.

14. In its capacity as a contractor for CAC, and later as a Certified VRS Provider, Hawk Relay subcontracted with Defendant BRYCE CHAPMAN from at least March 2007 through at least June 2009. During this timeframe, Defendant BRYCE CHAPMAN purported to provide technological support to Hawk Relay. Defendant BRYCE CHAPMAN, however, was paid by Hawk Relay principally for generating VRS calls through Hawk Relay's URLs.

COUNT 1

(Conspiracy: 18 U.S.C. § 1349)

15. The allegations contained in paragraphs 1-14 of this Indictment are re-alleged and incorporated as if fully set forth herein.

16. From in or around at least February 2007 to in or around at least July 2009, the exact dates being unknown to the Grand Jury, in the District of New Jersey and elsewhere, defendants,

SAMUEL HAWK and

BRYCE CHAPMAN,

and others known and unknown to the Grand Jury did willfully, that is with the intent of furthering the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other to commit an offense against the United States, namely:

a. wire fraud, that is, to knowingly, willfully, and with the intent to defraud devise and intend to devise a scheme and artifice to defraud the federal government, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations and promises were false and fraudulent when made, and for the purpose of executing such scheme or artifice, did knowingly transmit and cause to be transmitted, by means of wire communication in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343; and

b. mail fraud, that is, to knowingly, willfully, and with the intent to defraud devise and intend to devise a scheme and artifice to defraud the federal government, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations and promises were false and fraudulent when made, and for the purpose of executing or attempting to execute such scheme or artifice, knowingly place and cause to be placed in any post office or authorized depository for mail matter, any matter or thing whatever to be sent or delivered by the Postal Service, or depositing and causing to be deposited any matter or thing whatever to be sent or delivered by any private or commercial interstate carrier, or taking and receiving therefrom, any such matter or thing, or knowingly causing to be delivered by mail or such carrier according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, any such matter or thing, in violation of Title 18, United States Code, Section 1341.

Purpose of the Conspiracy

17. It was a purpose of the conspiracy for defendants SAMUEL HAWK, BRYCE CHAPMAN, and others to unlawfully enrich themselves by causing false and fraudulent VRS calls to be made and submitted for reimbursement to the government using interstate wire communications and the U.S. Mail.

Manner and Means of the Conspiracy

The manner and means by which defendants SAMUEL HAWK, BRYCE CHAPMAN, and others would seek to accomplish the purpose of the conspiracy included, among other things, the following:

18. Defendant SAMUEL HAWK instructed and authorized Defendant BRYCE CHAPMAN and co-conspirators Bridget Bonheyo and Jerome Bonheyo to exclusively use Hawk Relay's URLs to make VRS calls.

19. Defendant SAMUEL HAWK paid kickbacks to Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo based on the amount of VRS calls CHAPMAN, Bridget Bonheyo, their employees, contractors, agents, and associates generated each month. Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo, in turn, paid their employees, contractors, and associates (the "Paid Callers") to make VRS calls using Hawk Relay's URLs.

20. Defendant SAMUEL HAWK and co-conspirator Bridget Bonheyo concealed the fact that Defendant SAMUEL HAWK was paying Bridget Bonheyo to make and generate VRS calls, by entering into a bogus contract pursuant to which Hawk Relay purportedly would pay B&B for "marketing services."

21. Defendant SAMUEL HAWK authorized Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo to cause and instruct the Paid Callers to make the following types of Bogus Calls, among others, through Hawk Relay's URLs:

a. VRS calls to conference call lines, during which Paid

Callers would not communicate with each other for long periods of time and/or would make the calls for the purpose of generating VRS minutes;

b. VRS calls to automated numbers that, when called, would continue indefinitely. During these calls, Paid Callers did not pay attention to the relayed communication and/or made the calls for the purpose of generating VRS minutes;

c. VRS calls to recordings of VRS conference calls previously attended by the same, and other, callers. During these calls, Paid Callers did not pay attention to the VIs for long periods of time, if at all. Additionally, these calls were made for the purpose of generating VRS minutes;

d. VRS calls made to "evaluate" VIs. These calls were made by Paid Callers purportedly to observe and report on the sign language skills of the VIs. In reality, however, these calls were made repeatedly during the course of months by the same callers to evaluate the same set of VIs. During these calls, the Paid Callers did not pay attention to the relayed communication and/or made the calls for the purpose of generating VRS minutes;

e. VRS calls made to solicit information and participation in "coupon programs." These calls were made by Paid Callers ostensibly to cold call various individuals and corporations to gauge interest in, and obtain financial support for, various coupon programs. In fact, these coupon programs were used only as a pretext to place the VRS calls in the first instance so that VRS minutes would be generated; and

f. VRS calls made to "monitor and supervise" other VRS calls. These calls would be made by certain Paid Callers using software developed by Defendant BRYCE CHAPMAN. The software allowed the Paid Caller "supervising" the VRS call to remotely participate in the ongoing VRS call using another open VRS line, thereby billing the government twice for a single VRS call.

22. Defendant SAMUEL HAWK directed and authorized co-conspirator Bridget Bonheyo to require any individual employed by B&B to spend 80% of the employee's work time at B&B making VRS calls using Hawk Relay's URLs.

23. Defendant SAMUEL HAWK pressured co-conspirator Bridget Bonheyo to generate VRS minutes each month through Hawk Relay's URLs or risk losing her business relationship, and income stream, from Hawk Relay. On at least one occasion, Defendant SAMUEL HAWK expressly required co-conspirator Bridget Bonheyo to generate 500,000 VRS minutes in a single month using Hawk Relay's URLs.

24. Defendant SAMUEL HAWK encouraged and authorized Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo, along with their employees and subcontractors, to use an automated system (the "PBX System") to make VRS calls through Hawk Relay's URLs. By using the PBX system, non-reimbursable "dead time" was billed to NECA as if a VRS call was taking place when, in fact, the VRS line was simply left open and idle because the caller was, for example, waiting for a connection to an interpreter or was in between different VRS calls.

25. In response to several email communications in summer and fall 2008 from contractors of CAC that alerted Defendant SAMUEL HAWK to the high volume and incidence of Bogus Calls being processed by CAC, its contractors, and subcontractors from Hawk Relay's URLs, as well as at different times before receiving these emails, Defendant SAMUEL HAWK instructed Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo to conceal the true nature and extent of the Bogus Calls being made through Hawk Relay's URLs by, among other methods:

a. having the Paid Callers dial different phone numbers to make it appear as though the Bogus Calls being generated through Hawk Relay's URLs were real, legitimate, and not concentrated on the same subset of phone numbers; and

b. having the Paid Callers shorten the call duration of the Bogus Calls being made through Hawk Relay's URLs so that the Bogus Calls would more closely resemble real and legitimate VRS calls.

26. Defendant SAMUEL HAWK instructed Defendant BRYCE CHAPMAN and co-conspirator Bridget Bonheyo not to use written communication, including emails, when discussing projected or past VRS call volume, concerns that had been raised by VIs about the Bogus Calls, and/or certain programs designed to generate Bogus Calls.

27. In early 2009 through spring 2009, in response both to questions raised by the FCC and attempts to obtain reimbursement from NECA and the FCC, Defendant SAMUEL HAWK made materially false statements and representations to the FCC and NECA concerning, among

other things, his relationship with B&B and the types of VRS calls that were generated by B&B.

28. On or about May 5, 2009, Defendant SAMUEL HAWK caused correspondence to be sent to NECA requesting reimbursement for Bogus Calls.

(All in violation of Title 18, United States Code, Section 1349.)

COUNTS 2-4

(Wire Fraud: 18 U.S.C. §§ 1343 and 2)

29. The scheme and artifice to defraud is described in paragraphs 18-28 of this Indictment, which are re-alleged and incorporated, along with paragraphs 1-17, as if fully set forth herein.

30. On or about the dates set forth below, in the District of New Jersey and elsewhere, defendants,

SAMUEL HAWK and

BRYCE CHAPMAN,

having knowingly, willfully, and with the intent to defraud devised and intended to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations and promises were false and fraudulent when made, and for the purpose of executing such scheme or artifice, did knowingly transmit and cause to be transmitted, by means of wire communication in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, as set forth more specifically in Counts 2-4, listed below:

Count	Defendants	On or About Date of Wire Communication	Description of Wire Communication
2	SAMUEL HAWK and BRYCE CHAPMAN	March 17, 2009	Email communication (attaching correspondence from SAMUEL HAWK seeking payment from NECA for VRS calls) sent from outside New Jersey to NECA in New Jersey
3	SAMUEL HAWK and BRYCE CHAPMAN	March 20, 2009	Email communication (attaching correspondence from SAMUEL HAWK seeking payment from NECA for VRS calls) sent from outside New Jersey to NECA in New Jersey
4	SAMUEL HAWK and BRYCE CHAPMAN	May 5, 2009	Email communication (attaching correspondence from SAMUEL HAWK seeking payment from NECA for VRS calls) sent from outside New Jersey to NECA in New Jersey

(In violation of Title 18, United States Code, Sections 1343 and 2.)

CRIMINAL FORFEITURE NOTICE

(18 U.S.C. § 981 and 28 U.S.C. § 2461)

31. Pursuant to Rule 32.2(a), the defendant is hereby notified that, if convicted of any of the charges in this Indictment, the defendant shall forfeit to the United States, pursuant to Title 18, United States Code, § 981(a)(1)(C) and Title 28, United States Code, § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the counts of conviction, including wire fraud, in violation of Title 18, United States Code, Section 1343 and conspiracy to commit wire fraud and mail fraud, in violation of Title 18, United States Code, Section 1349.

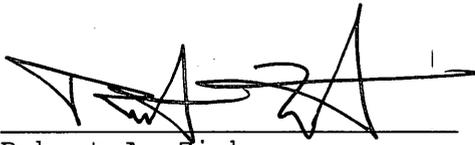
32. Such forfeitable property includes a sum of money equal to the amount of proceeds obtained as a result of the offenses alleged in the Indictment, for which the defendant is jointly and severally liable. Such forfeiture shall include, but not be limited to, a money judgment in the amount of the gross proceeds of the fraud.

33. Pursuant to Title 21, United States Code, § 853(p), as incorporated by Title 28, United States Code, § 2461(c), the defendant shall forfeit substitute property, up to the value of the amount ordered to be forfeited, if, by any act or omission of the defendant, the forfeitable property or any portion thereof cannot be located upon the exercise of due diligence; has been transferred, sold to, or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without

difficulty. The property subject to forfeiture as substitute assets includes, but is not limited to, a sum of money equal to the amount of proceeds obtained as a result of the wire fraud and the conspiracy to commit wire fraud and mail fraud.

A TRUE BILL

JEFFREY H. KNOX
CHIEF, FRAUD SECTION

A handwritten signature in black ink, appearing to be 'Robert A. Zink', written over a horizontal line.

Robert A. Zink
Albert B. Stieglitz
Assistant Chiefs, Fraud Section

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

SAMUEL HAWK and BRYCE CHAPMAN

INDICTMENT FOR

18 U.S.C. §§ 1349, 1343, and 2

A True Bill,

Foreperson



Paul J. Fishman

U.S. ATTORNEY

DISTRICT OF NEW JERSEY

Robert A. Zink

Assistant Chief, Fraud Section, Criminal Division

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