

1 THOMAS E. MOSS  
UNITED STATES ATTORNEY  
2 **GEORGE W. BREITSAMETER**  
ASSISTANT UNITED STATES ATTORNEY  
3 DISTRICT OF IDAHO  
WELLS FARGO CENTER, SUITE 201  
4 877 WEST MAIN STREET  
BOISE, IDAHO 83702  
5 TELEPHONE: (208) 334-1211  
**MAILING ADDRESS: P.O. BOX 32**  
6 **BOISE, IDAHO 83707**

U.S. DISTRICT COURT  
JAN 14 1984  
FBI - BOISE

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13 UNITED STATES DISTRICT COURT FOR THE DISTRICT OF IDAHO

14 CR-02 114 SBLW

15 UNITED STATES OF AMERICA )  
16 vs. )  
17 KENNETH L. PUGH, )  
18 Defendant. )

INDICTMENT  
(Vio. 18 U.S.C. §§ 1344)

19 COUNTS ONE - TWENTY-ONE  
20 (Vio. 18 U.S.C. § 1344)

21 THE GRAND JURY CHARGES:

22 A. Introduction

23 At all times material to this indictment:

24 1. U.S. Bank, NBD Bank and Washington Mutual Bank are financial  
25 institutions, the deposits of which are insured by the Federal Deposit  
26 Insurance Corporation.

1           2.    The Portland Teachers Credit Union in Portland, Oregon,  
2 hereinafter referred to as PTCU, is a credit union with accounts  
3 insured by the National Credit Union Share Insurance Fund. The  
4 defendant, KENNETH L. PUGH maintained a checking account at PTCU  
5 which was closed on or about May 28, 1996, with an overdrawn account  
6 balance of approximately \$1,600.00.

7           3.    The defendant, KENNETH L. PUGH, maintained a checking  
8 account at NBD Bank in Detroit, Michigan, hereinafter referred to as  
9 NBD Bank, which was closed on or about December 11, 1998, with an  
10 overdrawn account balance of approximately \$5,000.00.

11          4.    The defendant, KENNETH L. PUGH, opened a checking account at  
12 U.S. Bank in Boise, Idaho, on or about April 5, 2000.

13    B.   Scheme and Artifice

14          5.    That commencing on or about July 1, 1999, and continuing  
15 through the present, KENNETH L. PUGH, defendant herein, devised a  
16 scheme to defraud U.S. Bank, NBD Bank and Washington Mutual Bank, all  
17 of which are insured by the Federal Deposit Insurance Corporation, and  
18 PTCU insured by the National Credit Union Share Insurance Fund, and to  
19 obtain the money, funds, credits, assets, securities and other  
20 property owned by and under the custody and control of U.S. Bank by  
21 means of false and fraudulent pretenses, representations and promises.

22          6.    It was part of the scheme that from on or about March 23,  
23 1999, through on or about April 15, 1999, KENNETH L. PUGH deposited  
24 checks drawn on his closed NBD account into a checking account at U.S.  
25 Bank in Portland, Oregon, in the name of S. Garrett.

26

1           7.    That between on or about March 29, 1999, and on or about  
2 April 14, 1999, KENNETH L. PUGH withdrew approximately \$2,863.00 in  
3 funds from the aforescribed U.S. Bank account of S. Garrett, while  
4 the account was falsely and fraudulently inflated with the NBD checks  
5 drawn on the closed account of KENNETH L. PUGH.

6           8.    It was part of the scheme that from on or about July 1,  
7 1999, through on or about September 1, 1999, KENNETH L. PUGH deposited  
8 checks drawn on his closed NBD Bank account into a checking account  
9 that he opened at U.S. Bank in Reno, Nevada, in the name of KENNETH L.  
10 PUGH with a social security number assigned to another individual.

11          9.    That between on or about July 7, 1999, and on or about  
12 August 25, 1999, KENNETH L. PUGH withdrew approximately \$15,297.21 in  
13 funds from the U.S. Bank - Reno account while the account was falsely  
14 and fraudulently inflated with the NBD checks drawn on the closed  
15 account of KENNETH L. PUGH.

16          10.   It was further part of the scheme that from on or about June  
17 23, 1999, through on or about July 12, 1999, KENNETH L. PUGH caused  
18 the deposit of checks drawn on his closed NBD checking account into a  
19 checking account at Washington Mutual Bank in Portland, Oregon.

20          11.   That between on or about June 25, 1999, and on or about July  
21 23, 1999, approximately \$14,991.87 in funds from the aforescribed  
22 Washington Mutual Bank were withdrawn while the account was falsely  
23 and fraudulently inflated with the NBD checks drawn on the closed  
24 account of KENNETH L. PUGH.

25          12.   It was further part of the scheme that on or about October  
26 8, 1999, and October 13, 1999, KENNETH L. PUGH caused the deposit of

1 two (2) checks in the total amount of \$9,850.10 drawn on his closed  
2 NBD checking account into a checking account at U.S. Bank in Portland,  
3 Oregon, in the name of a girlfriend of KENNETH L. PUGH.

4 13. That between on or about October 8, 1999, and on or about  
5 October 15, 1999, KENNETH L. PUGH withdrew approximately \$5,100.00 in  
6 funds from the aforescribed girlfriend's U.S. Bank account while the  
7 account was falsely and fraudulently inflated with the NBD checks  
8 drawn on the closed account of KENNETH L. PUGH.

9 14. It was further part of the scheme that between on or about  
10 June 15, 2000, and on or about June 26, 2000, KENNETH L. PUGH caused  
11 the deposit of four (4) checks in the total amount of approximately  
12 \$11,636.00 drawn on his closed NBD checking account into a separate  
13 checking account at U.S. Bank in Portland, Oregon, maintained in the  
14 name of S. Scott.

15 15. That between on or about June 16, 2000, and on or about July  
16 5, 2000, KENNETH L. PUGH withdrew approximately \$3,300.00 in funds  
17 from the S. Scott U.S. Bank account while the account was falsely and  
18 fraudulently inflated with the NBD checks drawn on the closed account  
19 of KENNETH L. PUGH.

20 16. It was further part of the scheme that on or about August 8,  
21 2001, KENNETH L. PUGH caused the deposit of two (2) checks drawn on  
22 his closed accounts at PTCU and one (1) check at NBD Bank to be  
23 deposited into a U.S. Bank account in Portland, Oregon, in the name of  
24 Johnny L. West.

25 17. That between on or about August 3, 2001, and on or about  
26 August 10, 2001, KENNETH L. PUGH withdrew approximately \$793.00 in

1 funds from the U.S. Bank-Johnny L. West account while the account was  
2 falsely and fraudulently inflated with the PTCU and NBD account checks  
3 and drawn on the closed accounts of KENNETH L. PUGH.

4 18. It was further part of the scheme that on or about April 5,  
5 2000, KENNETH L. PUGH opened a checking account in the name of KENNETH  
6 L. PUGH at U.S. Bank in Boise, Idaho, and used a false social security  
7 number and residence when opening the account.

8 19. It was further part of the scheme that between on or about  
9 April 5, 2000, and on or about April 20, 2000, KENNETH L. PUGH caused  
10 the deposit of six (6) checks drawn on his closed account at NBD Bank  
11 into the aforescribed account at U.S. Bank in Boise, Idaho.

12 C. Execution of the Scheme and Artifice to Defraud

13 20. Between on or about April 6, 2000, and on or about April 20,  
14 2000, in the District of Idaho and elsewhere, KENNETH L. PUGH, the  
15 defendant herein, knowingly executed and attempted to execute the  
16 aforesaid scheme and artifice to defraud the aforescribed U.S. Bank  
17 account opened in Boise, Idaho, by then and there withdrawing funds,  
18 as further alleged herein with automatic teller machine (ATM)  
19 withdrawals when, in truth and in fact, said U.S. Bank account was  
20 falsely and fraudulently inflated with the deposit of checks drawn  
21 upon the NBD Bank account:

22

COUNT	DATE	AMOUNT OF WITHDRAWAL
One	04/06/00	\$ 20.00
Two	04/06/00	\$180.00
Three	04/07/00	\$100.00

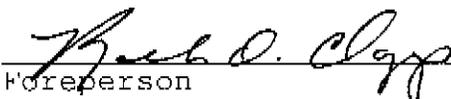
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1	Four	04/10/00	\$200.00
2	Five	04/10/00	\$ 21.50
3	Six	04/10/00	\$161.50
4	Seven	04/11/00	\$ 80.00
5	Eight	04/11/00	\$120.00
6	Nine	04/12/00	\$181.50
7	Ten	04/12/00	\$201.50
8	Eleven	04/13/00	\$100.00
9	Twelve	04/13/00	\$100.00
10	Thirteen	04/13/00	\$400.00
11	Fourteen	04/13/00	\$101.50
12	Fifteen	04/17/00	\$101.50
13	Sixteen	04/18/00	\$100.00
14	Seventeen	04/18/00	\$400.00
15	Eighteen	04/19/00	\$100.00
16	Nineteen	04/19/00	\$400.00
17	Twenty	04/20/00	\$100.00
18	Twenty-one	04/20/00	\$400.00
19			

18 All in violation of Title 18, United States Code, Section 1344.

19 DATED this 13<sup>th</sup> day of June, 2002.

20 A TRUE BILL.

21  
22   
Foreperson

23 THOMAS E. MOSS  
24 United States Attorney

25   
26 George W. Breitsameter  
Assistant United States Attorney

# CRIMINAL COVERSHEET

DEFENDANT'S NAME: Kenneth L. Pugh

Juvenile: No

DEFENDANT'S  
STREET ADDRESS:

Service Type:  
Non-Secret Warrant

DEFENSE ATTORNEY:  
ADDRESS:

Interpreter: No  
If yes, language:

TELEPHONE NO.:

INVESTIGATING AGENT & AGENCY: Diane E. Kisabeth  
Federal Bureau of Investigation  
TELEPHONE NO.: (208) 344-7843

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CASE INFORMATION: (List any miscellaneous, magistrate, CVB or other related defendants/case numbers).

## CRIMINAL CHARGING INFORMATION

Complaint       Indictment       Information       Superseding Indictment  
 Felony       Class A Misdemeanor       Class B or C Misdemeanor (Petty Offense)  
County of Offense: Ada      Estimated Trial Time: 5 days

TITLE/SECTION	COUNT	BRIEF DESCRIPTION	PENALTIES <i>(Include Supervised Release and Special Assessment)</i>
18 U.S.C. § 1344 6B	1-21	Bank Fraud	Each count: Incarceration for not more than 30 years and/or \$1,000,000 fine; \$100 special assessment; 5 years supervised release

Date: June 11, 2002

AUSA: George W. Breitsameter  
Telephone No.: (208) 334-1222