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7
8 IN THE UNITED STATES DISTRICT COURT
9 FOR THE EASTERN DISTRICT OF CALIFORNIA

10 18 CR - 00044 DAD BAM

11 UNITED STATES OF AMERICA,

Case No.

12 Plaintiff,

VIOLATION: 18 U.S.C. § 1341 -
Mail Fraud; 42 U.S.C. §
408(a)(7)(B) - Misuse of a Social
Security Number; 42 U.S.C. §
408(a)(3) - False Statements to
Social Security Administration;
18 U.S.C. § 981(a)(1)(C) and 28
U.S.C. § 2461(c) - Criminal
Forfeiture

13 v.

14 LINDA EXPOSE,

15 Defendant.

16
17 I N D I C T M E N T

18 COUNT ONE: [18 U.S.C. § 1341 - Mail Fraud]

19 The Grand Jury charges:

20 LINDA EXPOSE,

21 defendant herein as follows:

22 I. INTRODUCTION

23 1. At times relevant to this Indictment, defendant LINDA
24 EXPOSE resided in Salida, California, in the State and Eastern
25 District of California.

26 II. SOCIAL SECURITY ADMINISTRATION/BENEFITS

27 2. The Social Security Administration ("SSA") administers
28 programs for the federal government dealing with retirement

1 survivor insurance and supplemental security income benefits,
2 among others, as part of the Social Security Act of 1935.

3 3. The Social Security Act and related laws establish a
4 number of programs, which have the basic objective of providing
5 for the material needs of individuals and their families. These
6 benefits, including benefits sometimes referred to as Title II
7 and Title XVI benefits, are distributed through various U.S.
8 government funding sources.

9 4. The SSA pays Child Disability Benefits (CDB), also
10 known as Title II ("T-II") benefits, to certain disabled children
11 who are or were dependent on a wage earning parent. Monthly
12 benefits are paid to the parent under the parent's Social
13 Security earnings record but may be received directly by the
14 child-claimant after age 18 if the parent is deceased.

15 5. The SSA pays supplemental security income benefits,
16 also known as Title XVI ("T-XVI") benefits, to eligible
17 recipients to provide a floor of income for the aged, blind or
18 disabled.

19 III. SCHEME TO DEFRAUD

20 6. Beginning on a date unknown to the Grand Jury, but not
21 later than in or about March 1991, and continuing thereafter to
22 in or about December 2017, within the State and Eastern District
23 of California and elsewhere, the defendant, with others known and
24 unknown to the Grand Jury, did knowingly devise and intend to
25 devise a material scheme and artifice to defraud the Social
26 Security Administration of money and property, and to obtain
27 money and property from the Social Security Administration, by
28 means of materially false and fraudulent pretenses,

1 representations, and promises, and by concealment of material
2 facts.

3 7. During the scheme, EXPOSE earned wages under a family
4 member's SSN (x6143) in order to mislead the Social Security
5 Administration regarding EXPOSE's eligibility to receive T-II and
6 T-XVI benefits. To facilitate her continued receipt of T-II and
7 T-XVI benefits, EXPOSE repeatedly misrepresented to the Social
8 Security Administration that she had never used another social
9 security number ("SSN") other than her assigned SSN (x9079).
10 EXPOSE filed multiple applications for SSA benefits under both
11 SSNs to maximize her receipt of such benefits.

12 IV. MANNER AND MEANS OF SCHEME TO DEFRAUD

13 8. During the above-described time period, the defendant
14 executed the scheme and artifice to defraud by the following
15 manner, means, and acts, among others.

16 9. Beginning as early as November 1981, EXPOSE received
17 from SSA T-II benefits paid under her father's SSN (x9830C2).
18 EXPOSE continued receiving such benefits through at least in or
19 about January 2016.

20 10. Beginning as early as August 1980, EXPOSE received from
21 SSA T-XVI benefits paid under her true SSN (x9079). EXPOSE
22 continued receiving such benefits through at least in or about
23 February 2015.

24 11. On various occasions after she began receiving T-II and
25 T-XVI benefits under her x9079 SSN (including in 1983, 1984 and
26 1985), EXPOSE completed and signed an SSA form called "Statement
27 for Determining Continuing Eligibility for Supplemental Security
28 Income Payments." In each SSA form, EXPOSE acknowledged her

1 obligation and agreed to inform the SSA immediately if she earned
2 income. EXPOSE also acknowledged in an SSA form she signed in
3 1985 that such changed circumstances could affect her eligibility
4 to receive SSA benefits or the amount of such benefits.

5 12. In or about March 1991, EXPOSE became employed at a
6 children's hospital (Hospital) in Oakland, California, and
7 Modesto, California.

8 13. In her employment application to the Hospital (dated
9 January 1991), EXPOSE listed her SSN as the number ending in
10 x6143. In fact, the x6143 SSN was not EXPOSE's social security
11 number, but instead, a family member's social security number.

12 14. After being hired at the Hospital, EXPOSE regularly
13 identified herself in Hospital-related papers - including, for
14 instance, health and life insurance enrollment applications - by
15 the x6143 SSN.

16 15. During her employment at the Hospital between March
17 1991 and July 2010, EXPOSE earned more than \$570,000 under the
18 x6143 SSN.

19 16. Because EXPOSE never reported to SSA that she earned
20 income from the Hospital, EXPOSE continued to receive T-II and T-
21 XVI benefits from SSA under her true social security number
22 (x9079). EXPOSE would have been ineligible to receive such
23 benefits had she truthfully reported to SSA the income she earned
24 from the Hospital under the x6143 SSN.

25 17. In or about July 2014, while continuing to earn T-II
26 and T-XVI benefits under the x9079 SSN, EXPOSE completed, signed
27 and transmitted to SSA an application for T-II and T-XVI benefits
28 under the fraudulently used x6143 SSN. The application contained

1 materially false representations, including that EXPOSE was
2 assigned the x6143 SSN and that she had never used another SSN.

3 18. In or about December 2017, EXPOSE completed, signed and
4 transmitted to SSA an application for T-II and T-XVI benefits
5 under the x9079 SSN. The application contained materially false
6 representations, including that EXPOSE had never used another
7 SSN.

8 19. As a result of her conduct, defendant EXPOSE defrauded
9 the Social Security Administration of approximately \$190,000.

10 IV. MAIL FRAUD

11 20. On or about July 30, 2014, within the State and Eastern
12 District of California and elsewhere, for the purpose of
13 executing and attempting to execute the aforementioned scheme and
14 artifice to defraud, EXPOSE, with the intent to defraud,
15 knowingly caused an Application for Supplemental Security Income
16 (Form SSA-8001-BK) and related documents to be placed in an
17 authorized depository for mail matter to be sent and delivered by
18 the U.S. Postal Service, according to the directions thereon, to
19 the Social Security Administration in Modesto, California.

20 All in violation of Title 18, United States Code, Section
21 1341.

22 COUNT TWO: [42 U.S.C. § 408(a)(7)(B) - Misuse of a Social
23 Security Number]

24 The Grand Jury further charges: T H A T

25 LINDA EXPOSE,
26 defendant herein, as follows:

27 21. Paragraphs 1 through 5, and 9 through 19, inclusive of
28 Count One, are incorporated here by reference.

1 22. On or about July 9, 2014, in the State and Eastern
2 District of California and elsewhere, defendant LINDA EXPOSE, in
3 a matter within the jurisdiction of the Social Security
4 Administration, for the purpose of obtaining something of value,
5 to wit, benefits administered by the Social Security
6 Administration, and for other purposes, knowingly and with intent
7 to deceive, falsely represented in Form SSA-8001-BK a number
8 (x6143) to be the social security account number assigned by the
9 Commissioner of Social Security to her, when in fact such number
10 was not the social security account number assigned by the
11 Commissioner of Social Security to her.

12 All in violation of Title 42, United States Code, Section
13 408(a)(7)(B).

14 COUNT THREE: [42 U.S.C. § 408(a)(3) - False Statements to
15 Social Security Administration]

16 The Grand Jury further charges: T H A T

17 LINDA EXPOSE,

18 defendant herein, as follows:

19 23. Paragraphs 1 through 5, and 9 through 19, inclusive of
20 Count One, are incorporated here by reference.

21 24. On or about August 7, 2014, in the State and Eastern
22 District of California and elsewhere, defendant LINDA EXPOSE, in
23 a matter within the jurisdiction of the Social Security
24 Administration, knowingly made and caused to be made to the
25 Social Security Administration a false statement and
26 representation of material fact, to wit, stating that she had not
27 worked since 1980, in Form SSA-795, which form is used in
28 determining rights to payment. In truth and in fact, as she well

1 knew, EXPOSE had worked between 1980 and August 7, 2014.

2 All in violation of Title 42, United States Code, Section
3 407(a)(3).

4 FORFEITURE ALLEGATION: [18 U.S.C. §§ 981(a)(1)(C) and 28 U.S.C.
5 § 2461(c) - Criminal Forfeiture]

6 25. The allegations in Count One are realleged and
7 incorporated by reference for the purpose of alleging forfeitures
8 pursuant to Title 18, United States Code, Section 981(a)(1)(C)
9 and Title 28, United States Code, Section 2461(c).

10 26. Pursuant to Title 18, United States Code, Section
11 981(a)(1)(C) and Title 28, United States Code, Section 2461(c),
12 and upon conviction of the offense set forth in Count One of this
13 Indictment, defendant LINDA EXPOSE shall forfeit to the United
14 States any property, real or personal, which constitutes or is
15 derived from proceeds traceable to a violation of the offense set
16 forth in Count One of this Indictment.

17 27. If any of the property described above, as a result of
18 any act or omission of the defendant or agents of the defendant
19 or upon direction by the defendant:

- 20 a. cannot be located upon the exercise of due
21 diligence;
- 22 b. has been transferred or sold to, or deposited
with, a third party;
- 23 c. has been placed beyond the jurisdiction of the
24 Court;
- 25 d. has been substantially diminished in value; or
- 26 e. has been commingled with other property which
cannot be divided without difficulty,

27 the United States of America shall be entitled to forfeiture of
28

1 substitute property, including but not limited to a forfeiture
2 money judgment, pursuant to Title 21, United States Code, Section
3 853(p), as incorporated by Title 28, United States Code, Section
4 2461(c).

5 A TRUE BILL.

6 /s/ Signature on file w/AUSA

7
8 FOREPERSON

9 McGREGOR W. SCOTT
10 United States Attorney

11 **HENRY Z. CARBAJAL for**

12 By:

13 KIRK E. SHERRIFF
14 Assistant U.S. Attorney
15 Chief, Fresno Office
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