PAR/ELB USAO# 2022R00717

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

USDC- BALTIMORE
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UNITED STATES OF AMERICA	*	**CRIMINAL NO. GLR-23-26**
v.	*	**(Wire Fraud, 18 U.S.C. § 1343; Possession of a Firearm by a Prohibited Person, 18 U.S.C. § 922(g)(1); Possession With Intent to Distribute a Controlled Substance, 21 U.S.C. § 841(a)(1); Possession of a Firearm in Furtherance of a Drug Trafficking Activity; Aggravated Identity Theft, 18 U.S.C. § 1028A(a)(1); Forfeiture, 18 U.S.C. §§ 924(d) and 981(a)(1)(C), 21 U.S.C. § 853, 28 U.S.C. § 2461(c))**
RYAN E. DALES,	*	
Defendant.	*	

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SUPERSEDING INDICTMENT

COUNT ONE
(Wire Fraud)

The Grand Jury for the District of Maryland charges that:

At all times relevant to this Superseding Indictment:

Background

1. Defendant **RYAN E. DALES** was a resident of Baltimore City, Maryland.

2. In Maryland, a former employee of a business who has lost his or her job can contact the Maryland Department of Labor ("MD DOL") to submit a claim for unemployment insurance (UI) benefits. Claims for UI benefits are commonly submitted electronically through the use of the Internet and internet-capable computers or other electronic devices. If the former employee meets certain requirements, including having received sufficient wages prior to separation, the former employee/applicant becomes eligible to receive UI benefits.

3. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law. It expanded states' ability to provide UI for many workers

impacted by the COVID-19 pandemic, including for workers who were not ordinarily eligible for unemployment benefits.

4. The CARES Act created the Pandemic Unemployment Assistance ("PUA") program. Under PUA, states are permitted to provide PUA to individuals who are self-employed, seeking part-time employment, or otherwise would not qualify for regular UI compensation.

5. To qualify for PUA benefits, an individual must not be eligible for regular UI benefits and be unemployed, partially unemployed, or unable or unavailable to work because of certain health or economic consequences of the COVID-19 pandemic.

The Scheme to Defraud

6. Beginning in or about December 2020 and continuing through in or about September 2021, in the District of Maryland, and elsewhere, the defendant,

RYAN E. DALES,

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud the State of Maryland, to obtain money by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing and attempting to execute the scheme to defraud, did knowingly and willfully transmit and cause to be transmitted by means of wire communications, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343.

The Object of the Scheme to Defraud

7. It was the object of the scheme to defraud for **DALES** to personally enrich himself by obtaining unlawful COVID-19 benefits funds though the submission of fraudulent claims for UI benefits.

Manner and Means of the Scheme to Defraud

8. It was part of the scheme to defraud that **DALES** submitted applications for UI benefits that contained false statements, misrepresentations and omissions related to his employment, his eligibility to receive UI benefits, and his purported businesses, including their existence, operation, and profits.

9. It was a further part of the scheme to defraud that on or about December 18, 2020, **DALES** opened an account at Wells Fargo, a financial institution insured by the Federal Deposit Insurance Corporation and doing business throughout the United States, with an account number ending in 5769 (the "5769 Account"). **DALES** was the sole signatory on the account.

10. It was a further part of the scheme to defraud that **DALES** provided the 5769 Account as the bank account number into which the UI benefits were to be deposited.

11. It was a further part of the scheme to defraud that, in order to obtain UI benefits, **DALES** submitted a fictitious tax form in connection with his claim for UI benefits.

12. It was a further part of the scheme to defraud that when **DALES** applied for UI benefits, he caused interstate wire communications, including from Maryland to outside of Maryland.

13. It was a further part of the scheme to defraud that **DALES** sent email messages about applying for UI benefits.

14. It was a further part of the scheme to defraud that **DALES** obtained and attempted to obtain more than $25,000 through materially false and fraudulent pretenses, representations, and promises in connection with his claims for UI benefits.

THE CHARGE

15. On or about the date set forth below, in the District of Maryland and elsewhere, **DALES**, for the purpose of executing and attempting to execute the scheme and artifice to defraud

described above, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication, certain signals, signs and sounds, as set forth below:

COUNT	DATE	DESCRIPTION	INTERSTATE WIRE COMMUNICATION DETAILS
1	December 15, 2020	Maryland Department of Labor unemployment insurance claim in the name of Ryan Dales	From Maryland to a location outside of Maryland

18 U.S.C. § 1343
18 U.S.C. § 2

COUNT TWO
(Possession of a Firearm by a Prohibited Person)

The Grand Jury for the District of Maryland charges that:

On or about January 20, 2023, in the District of Maryland, the defendant,

RYAN E. DALES,

knowing he had previously been convicted of a crime punishable by imprisonment for a term exceeding one year, knowingly possessed a firearm, to wit, a 9mm Smith & Wesson M&P 9c firearm, S/N: HDW0599, and the firearm was in and affecting commerce.

18 U.S.C. § 922(g)(1)

COUNT THREE
(Possession With Intent To Distribute Controlled Substances)

The Grand Jury for the District of Maryland further charges that:

On or about January 20, 2023, in the District of Maryland, the defendant,

RYAN E. DALES,

did knowingly and intentionally possess with the intent to distribute 40 grams or more of a mixture or substance containing a detectable amount of N-phenyl-N-[1-(2-phenyl-ethyl)-4-piperidinyl] propanamide, commonly known as fentanyl, a Schedule II controlled substance.

21 U.S.C. § 841(a)(1)
21 U.S.C. § 841(b)(1)(B)(vii)

COUNT FOUR

(Possession of a Firearm in Furtherance of a Drug Trafficking Activity)

The Grand Jury for the District of Maryland further charges that:

On or about January 20, 2023, in the District of Maryland, the defendant,

RYAN E. DALES,

did knowingly possess a firearm, specifically, a loaded Polymer80 9mm firearm with no serial number, in furtherance of a drug trafficking crime for which he may be prosecuted in a court of the United States, that is, possession with intent to distribute controlled dangerous substances, in violation of Title 21, United States Code, Section 841(a)(1), as charged in Count Three of this Superseding Indictment.

18 U.S.C. § 924(c)(1)(A)(i)

COUNTS FIVE THROUGH SEVEN
(Wire Fraud)

The Grand Jury for the District of Maryland further charges that:

At all times relevant to this Superseding Indictment:

1. Paragraph 1 of Count One of this Superseding Indictment is incorporated herein.

2. Victim Business 1 was a trailer, snowplow, and lawn mower retailer located in Carroll County, Maryland.

3. Victim Business 2 was an outdoor equipment retailer located in Prince George's County, Maryland.

4. Victim Business 3 was an outdoor equipment retailer located in Anne Arundel County, Maryland.

5. The Toro Company ("Toro") was an American company based in Minnesota and doing business throughout the world that, among other things, designs, manufactures, and markets lawn mowers for commercial, residential, and agricultural use.

6. TD Bank Retail Card Services was a division of TD Bank N.A. (together, "TD Bank"), which issues and services retail card programs for various companies, including Toro. TD Bank provides a line of credit to approved Toro customers for use at various retailers (the "Toro Line of Credit").

The Scheme to Defraud

7. Beginning in or about August 2022, and continuing until in or about September 2022, in the District of Maryland, and elsewhere, the defendant,

RYAN E. DALES,

did knowingly and willfully devise and intend to devise a scheme and artifice to defraud Victim Business 1, Victim Business 2, Victim Business 3, Toro, and TD Bank, to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and

for the purpose of executing and attempting to execute the scheme to defraud, did knowingly and willfully transmit and cause to be transmitted by means of wire communications, in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, in violation of 18 U.S.C. § 1343.

The Object of the Scheme to Defraud

8. It was the object of the scheme to defraud that **DALES** used other people's identities to obtain fraudulently merchandise that he used for his personal benefit, and for the personal benefit of his associates.

Manner and Means of the Scheme to Defraud

9. It was part of the scheme to defraud that in or about 2022, **DALES** obtained multiple false, forged, and counterfeited South Carolina Driver's Licenses: (a) one bearing the name of "MC" and the photograph of **DALES**, the year of birth of 1982, and the license number ending in 3390; (b) one bearing the name of "BL" and the photograph of **DALES**, the year of birth of 1981, and the license number ending in 1752; and (c) one bearing the name of "JS" and the photograph of **DALES**, the year of birth of 1981, and the license number ending in 1752.

10. It was a further part of the scheme to defraud that on or about August 5, 2022, **DALES**, and others working in concert with **DALES**, submitted a false and fraudulent application for a Toro Line of Credit to TD Bank, using the name and identity information of "MC" including the exact date of "MC's" birthdate in year 1982 and "MC's" social security number ending in 9004. TD Bank approved the application and established a Toro Line of Credit account ending in 5413.

11. It was a further part of the scheme to defraud that on or about September 13, 2022, **DALES** purchased a Toro Z-Master 4000 HDX Pro XL lawnmower from Victim Business 1 by means of a $14,185.42 charge to the Toro Line of Credit fraudulently established in the name of "MC," resulting in interstate wires, including interstate wires to and from Maryland.

12. It was a further part of the scheme to defraud that in connection with the September 13, 2022 purchase, **DALES** presented to Victim Business 1 the false, forged, and counterfeited South Carolina Driver's License bearing the name of "MC" and the photograph of **DALES**, the year of birth of 1982, and the license number ending in 3390.

13. It was a further part of the scheme to defraud that on or about September 19, 2022, **DALES**, and others working in concert with **DALES**, submitted a false and fraudulent application for Toro Line of Credit to TD Bank, using the name and identity information of "BL" including the exact date of "BL's" birthdate in year 1981 and "BL's" social security number ending in 0154. TD Bank approved the application and established a Toro Line of Credit account ending in 3984.

14. It was a further part of the scheme to defraud that on or about September 19, 2022, **DALES**, and others working in concert with **DALES**, submitted a false and fraudulent application for a Toro Line of Credit to TD Bank, using the name and identity information of "JS" including the exact date of "JS's" birthdate in year 1981 and "JS's" social security number ending in 9427. TD Bank approved the application and established a Toro Line of Credit account ending in 3646.

15. It was a further part of the scheme to defraud that on or about September 20, 2022, **DALES** purchased a Lazer Z Series lawnmower from Business 2 by means of a $15,322.29 charge to the Toro Line of Credit fraudulently established in the name of "BL," resulting in interstate wires, including interstate wires to and from Maryland.

16. It was a further part of the scheme to defraud that in connection with the September 20, 2022 purchase, **DALES** presented Victim Business 2 with a false, forged, and counterfeited South Carolina Driver's License bearing the name of "BL" and the photograph of **DALES**, the year of birth of 1981, and the license number ending in 1752.

17. It was a further part of the scheme to defraud that on or about September 27, 2022, **DALES** purchased a Lazer Z Series lawnmower from Victim Business 3 by means of a $14,629.99

charge to the Toro Line of Credit fraudulently established in the name of "JS," resulting in interstate wires, including interstate wires to and from Maryland.

18. It was a further part of the scheme to defraud that in connection with the September 27, 2022 purchase, **DALES** presented Victim Business 3 with a false, forged, and counterfeited South Carolina Driver's License bearing the name of "JS" and the photograph of **DALES**, the year of birth of 1981, and the license number ending in 1752.

19. It was a further part of the scheme to defraud that **DALES** obtained fraudulently more than $40,000 in merchandise for his personal benefit, and for the personal benefit of his associates.

20. It was further part of the scheme to defraud that **DALES** made no payments to TD Bank in connection with the Toro Line of Credit accounts fraudulently established in the names of "MC," "BL," and "JS," and each account still has an outstanding balance.

THE CHARGES

21. On or about the dates set forth below, in the District of Maryland and elsewhere, **DALES**, for the purpose of executing and attempting to execute the scheme and artifice to defraud described above, did knowingly transmit and cause to be transmitted in interstate commerce by means of a wire communication, certain signals, signs and sounds, as set forth below:

COUNT	DATE	DESCRIPTION	INTERSTATE WIRE COMMUNICATION DETAILS
5	September 13, 2022	$14,185.42 purchase from Victim Business 1 of Toro Z-Master 4000 HDX Pro XL lawnmower, using Toro Line of Credit in the name of "MC"	From Maryland to a location outside of Maryland
6	September 20, 2022	$15,322.29 purchase from Victim Business 2 of Lazer Z Series lawnmower, using Toro Line of Credit in the name of "BL"	From Maryland to a location outside of Maryland

7	September 27, 2022	$14,629.99 purchase from Victim Business 3 of Lazer Z Series lawnmower, using Toro Line of Credit in the name of "JS"	From Maryland to a location outside of Maryland

18 U.S.C. § 1343

COUNT EIGHT
(Aggravated Identity Theft)

The Grand Jury for the District of Maryland further charges that:

1. The allegations set forth in Paragraphs 1 through 6 and 8 through 20 of Counts Five through Seven of the Superseding Indictment are incorporated here.

2. Beginning in or about August 2022, and continuing until in or about September 2022, in the District of Maryland and elsewhere, the defendant,

RYAN E. DALES,

during and in relation to a felony violation enumerated in 18 U.S.C. § 1028A(c), did, knowingly transfer, possess and use, without lawful authority, a means of identification of another person, knowing that the means of identification belonged to another person, to wit: **DALES** used the means of identification of "MC," "BL," and "JS" during and in relation to wire fraud, in violation of 18 U.S.C § 1343, as set forth in Counts Five through Seven of this Superseding Indictment.

18 U.S.C. §§ 1028A(a)(1), (c)(5)

FORFEITURE

The Grand Jury for the District of Maryland further finds that:

1. Pursuant to Rule 32.2, Fed. R. Crim. P., notice is hereby given to the defendant that the United States will seek forfeiture as part of any sentence in accordance with 18 U.S.C. §§ 924(d) and 981(a)(1)(C), 21 U.S.C. § 853, and 28 U.S.C. § 2461(c), in the event of the defendant's conviction under any of the offenses alleged in Counts One through Eight of this Superseding Indictment.

Wire Fraud Forfeiture

2. Upon conviction of any of the offenses alleged in Counts One, Five, Six, and Seven, the defendant,

RYAN E. DALES

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to such offense.

Firearms Forfeiture

3. Upon conviction of any of the offenses alleged in Counts Two or Four, the defendant,

RYAN E. DALES,

shall forfeit to the United States, pursuant to 18 U.S.C. § 924(d) and 28 U.S.C. § 2461(c), any firearms and ammunition involved in such offense.

Narcotics Forfeiture

4. Upon conviction of the offense alleged in Count Three, the defendant,

RYAN E. DALES,

shall forfeit to the United States, pursuant to 21 U.S.C. § 853(a):

a. any property constituting, or derived from, any proceeds obtained, directly or indirectly, as the result of such violations; and

b. any property used or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violations.

Property Subject to Forfeiture

5. The property to be forfeited includes, but is not limited to, the following:

a. a Smith & Wesson firearm, S/N: HDW0599, and any ammunition it contained;

b. a Polymer80 9mm firearm with no serial number and any ammunition it contained; and

c. a money judgment in the amount of proceeds the defendant obtained as a result of any scheme to defraud.

Substitute Assets

6. Pursuant to 21 U.S.C. § 853(p) and 28 U.S.C. § 2461(c), if any of the property described above as being subject to forfeiture, as a result of any act or omission by the Defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third person;

c. has been placed beyond the jurisdiction of the Court;

d. has been substantially diminished in value; or

e. has been comingled with other property which cannot be divided without difficulty,

it is the intent of the United States to seek forfeiture of any other property of the Defendant up to the value of the property charged with forfeiture in the paragraphs above.

18 U.S.C. § 924(d)
18 U.S.C. § 981(a)(1)(C)
21 U.S.C. § 853
28 U.S.C. § 2461(c)

Erek L. Barron
United States Attorney

A TRUE BILL:

SIGNATURE REDACTED

Foreperson

5/17/2023

Date