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## **BRITISH MAN INDICTED FOR WIRE FRAUD, IDENTITY THEFT AND MONEY LAUNDERING THAT VICTIMIZED HUNDREDS OF THOUSANDS ACROSS UNITED STATES**

WASHINGTON— A British man living in Las Vegas, Nevada, was indicted by a Nevada grand jury for withdrawing money from the bank accounts of hundreds of thousands of victims without authorization, Principal Deputy Assistant Attorney General Benjamin C. Mizer of the Justice Department’s Civil Division and Acting Inspector in Charge Daniel Brubaker of the U.S. Postal Inspection Service– Criminal Investigations announced today.

Gareth David Long, 37, is charged in a 39-count indictment with wire fraud, aggravated identity theft and money laundering. The indictment alleges that Long, operating through his company, V Internet Corp LLC, deposited unsigned remotely created checks (RCCs aka demand drafts) drawn on the accounts of hundreds of thousands of unwitting account holders. Although Long had no authorization to charge the accounts, he represented to his victims’ banks that the victims had authorized the debits. Long used the proceeds of his fraud scheme to purchase airplanes, vehicles, farm equipment and other property.

“Gareth David Long abused the sensitive personal and financial information of hundreds of thousands of Americans in a brazen scheme to steal millions of dollars from unwitting account holders,” said Principal Deputy Assistant Attorney General Mizer. “As this case makes clear, we will investigate and pursue charges against individuals who abuse the financial information of American consumers.”

“American consumers expect e-commerce providers will protect their sensitive financial information,” said Acting Inspector in Charge Brubaker. “Mr. Long betrayed that trust for his own self-interest. With this case, Postal Inspectors continue their long history of protecting consumers by demonstrating our protection of e-commerce extend beyond the stamp.”

According to the indictment, from 2008 through 2013, Long operated a third-party payment processing company, V Internet Corp, which also did business as “Altcharge” and “Check Process.” As a payment processor, Long specialized in the creation and deposit of RCCs. A RCC is a check created not by the account holder but by the third-party payee. In place of a signature, a RCC contains a typed statement claiming that the check was authorized by the account holder. On behalf of his merchant clients, Long created and deposited RCCs drawn on the bank accounts of American consumers. Because of this payment processing activity, Long possessed the personal and financial information of hundreds of thousands of consumers whose accounts had been debited by Long’s merchants.

In January 2013, Long allegedly created the facade that he was operating an Internet merchant business matching consumers with online payday loans. He registered the websites [www.fastloanfast.com](http://www.fastloanfast.com), [www.loan4utoday.com](http://www.loan4utoday.com) and [www.fastloan4me.com](http://www.fastloan4me.com), which purported to help consumers find online payday loans. From January through July 2013, Long allegedly deposited hundreds of thousands of RCCs, each for \$30 and each of which stated that the account holder had authorized a payment to Long's company.

The indictment alleges that, in reality, Long simply debited the accounts of victims who had never visited his websites, never requested any service and never authorized any payment. Long obtained the personal and financial information of his victims from two sources. First, he allegedly purchased large spreadsheets, referred to as "lead lists," each of which contained detailed personal and financial information of thousands of American consumers. Second, Long used the data stored in his payment processing system to debit more than a hundred thousand accounts that had previously been debited by Long's prior merchants. When he ran out of unique accounts to charge, Long allegedly created and deposited hundreds of thousands of additional, repeat charges against accounts he had already charged.

By the time Long's scheme ended in July 2013, he allegedly had created and deposited more than 750,000 RCCs totaling more than \$22 million. Approximately 50 percent of the RCCs were returned by account holders' banks. Many RCCs were returned because the account holder saw the debit and realized that an unauthorized charge was being imposed on his or her account. Other RCCs were returned because they were drawn on accounts that were nonexistent, closed or did not contain sufficient funds to cover the debit. As alleged in the indictment, many victims did not notice the charge and therefore did not dispute it.

The Department of Justice's Consumer Protection Branch uncovered Long's fraudulent activity in connection with an investigation of Long's bank, CommerceWest Bank. Based upon its conduct in processing unauthorized transactions for Long, CommerceWest Bank entered into a [civil and criminal settlement](#) with the Department of Justice.

The U.S. Postal Inspection Service seized more than \$2.9 million from V Internet's accounts at CommerceWest Bank. Postal Inspectors also seized property that Long purchased with the proceeds of his fraudulent activity, including five airplanes, a Land Rover, a Dodge Charger, multiple tractors, five all-terrain vehicles and a fire truck. In addition, the criminal indictment seeks forfeiture of a house and other property Long purchased in Cedar Hill, Texas.

The case is being handled by Trial Attorney John W. Burke and Ehren Reynolds of the Civil Division's Consumer Protection Branch in coordination with Assistant U.S. Attorneys Crane M. Pomerantz and Daniel D. Hollingsworth of the U.S. Attorney's Office for the District of Nevada and with substantial investigative support from the U.S. Postal Inspection Service.

For more information about the Consumer Protection Branch, visit its website at <http://www.justice.gov/civil/consumer-protection-branch>.

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