Department of Justice

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GRAND JURY RETURNS INDICTMENT CHARGING MAN IN SCHEME TARGETING FIANCE'S BANK ACCOUNT

SALT LAKE CITY – A federal grand jury in Salt Lake City returned a three-count indictment charging a Utah man with bank fraud, computer fraud, and aggravated identity theft in connection with an alleged scheme to obtain money from his fiance's credit union account, the Justice Department announced today.

John Bradley Egan, 42, of Bountiful, Utah, is currently in custody in Miami and will be transferred to Utah to face the federal charges.

According to the indictment, Egan and his fiancé, "L.C.," started dating sometime in 2005 and became engaged to be married. Throughout the relationship, L.C. and Egan lived in separate residences. L.C. owned a condominium in North Salt Lake City, which was in her name alone, and Egan lived in Bountiful. Eventually, Egan allegedly convinced L.C. to sell her condominium and move to Tampa, Fla., where they would get married and live. Egan also convinced L.C. to use some of the proceeds of the sale of her condominium for a down payment on a house for which he would pay the mortgage. L.C.'s condominium was sold in June 2006 and she received a check for more than $113,000 for the net proceeds. L.C. deposited the check into an account held in her name at America First Credit Union on June 5, 2006, according to the indictment. She also deposited $900 from the sale of furniture and other belongings into an account she shared with Egan. After making the deposits, L.C. and her daughter flew to Tampa. Egan said he would drive to Florida with his son on June 8, 2006 to meet them.

The indictment alleges the pair spoke by telephone on June 6 and 7, 2006. On June 8, 2006, Egan told L.C. that he was in a hotel with his son and would be leaving for Florida in the morning. On June 9, 2006, L.C. attempted to return a call from Egan but was unable to reach him. She never heard from him again.

According to the indictment, six bank transfers totaling $59,400 were made on the credit union's online banking website using L.C.'s account and her personal identification number on June 9, 2006. The money was transferred from her personal account into the account she shared with Egan. The indictment alleges L.C. did not make or authorize anyone else to make the transfers nor did she authorize anyone else to use her PIN to access her account. On the same

day, six transfers totaling $50,500 were made from L.C.'s personal account to an account Egan shared with his mother. Again, the transfers were not authorized by L.C.

Shortly after the money was transferred, Egan arrived at the credit union in Centerville, Utah, and withdrew $60,372 in cash from the account he and L.C. shared. He then went to a branch of the credit union in downtown Salt Lake City and withdrew $50,000 in cash from the account he shared with his mother.

The credit union has reimbursed L.C. for the $109,000 in fraudulent withdrawals, but has not recovered the money from Egan.

According to a complaint filed in the case, Egan's mother discovered on June 21, 2006, that her and her husband's passports were missing from a safe in their home. She later discovered social security cards were missing as well. There was probable cause to believe Egan had traveled to Mexico. He was later intercepted by Cuban authorities when a boat he was sailing from Mexico had mechanical trouble. Cuban authorities determined he was traveling on a false passport and took him into custody. The State Department facilitated his return from Cuba to Florida.

The potential maximum penalty for bank fraud is 30 years in prison and a $1 million fine. Computer fraud carries a potential penalty of up to five years in prison and a fine of $250,000. The minimum penalty for aggravated identity theft is two years in prison. The indictment also seeks forfeiture of the boat Egan was discovered on and $109,900.

The case is being investigated by the FBI, the U.S. State Department and the Utah Attorney General's Office. This case is being prosecuted by Assistant U.S. Attorney Michael Kennedy of the District of Utah, and by Senior Counsel Scott L. Garland and Trial Attorney Michelle Kane of the Computer Crime and Intellectual Property Section of the Criminal Division.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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