

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO. 08-212
v.	*	SECTION: "A"
LEOLA STEWART	*	VIOLATION: 18 U.S.C. §1343
	* * *	

FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved beyond a reasonable doubt, through the introduction of competent testimony and admissible tangible exhibits including the testimony of special agents of the Federal Bureau of Investigation ("FBI"), employees of the American Red Cross ("Red Cross") and others, the following facts to support the allegations charged by the United States Attorney in the Bill of Information now pending against the defendant, **LEOLA STEWART**.

An employee of the Red Cross would testify that in the weeks and months after Hurricane Katrina, which struck southeastern Louisiana on August 29, 2005, the Red Cross maintained disaster recovery centers to assist victims of Hurricane Katrina. Through these recovery assistance efforts, the Red Cross provided financial assistance to residents displaced or otherwise affected by Hurricane Katrina. People affected by the storms were able to apply for a one-time only financial grant of up

to \$1,565 from the Red Cross. In order to receive these funds, applicants needed to present identification to a Red Cross representative that indicated residence in an affected zone. Applicants were also required to swear and attest that they had not received any undisclosed additional American Red Cross financial assistance at any other Red Cross assistance location.

Competent testimony would be introduced that once approved, the Red Cross made these disaster assistance funds available in one of four ways: (1) A personal check made payable to the applicant, issued on-site, and cashed with the assistance of the Red Cross; (2) A Red Cross-issued “Discover” card, issued on-site, and activated via phone by the applicant; (3) A Red Cross-issued Client Assistance Card, issued on-site, and purchased by the Red Cross from private banking institutions; (4) A personal check authorized by the Red Cross, issued by Paychex, Inc.

Testimony by an employee of the Red Cross and admissible exhibits would be introduced to prove that the defendant, **LEOLA STEWART**, presented herself to Red Cross assistance centers on eight (8) occasions between on or about September 15, 2005 and on or about October 4, 2005. On each visit, she applied for financial assistance and indicated that she had not received any other financial assistance from the Red Cross. As a result of her actions on these 8 applications, **LEOLA STEWART** received direct financial assistance from the Red Cross totaling \$11,498.46 of which \$9,933.46 was obtained by fraud. Competent testimony and admissible exhibits would be introduced to prove that one of the eight occasions that **LEOLA STEWART** applied for assistance was on or about October 1, 2005, when the defendant applied for and received a pre-loaded Capital One Client Assistance Card from the Red Cross at an assistance center located within the Eastern District of Louisiana.

An employee of Capital One would testify that the electronic authorization of the Client Assistance Cards administered by Capital One was sub-contracted to a company called First Data Commercial Services. An employee of First Data would testify and admissible records would be submitted to prove that on or about October 10, 2005 a Capital One Client Assistance Card XXXX XXXX XXXX 7619, issued by the Red Cross to **LEOLA STEWART** on or about October 1, 2005, was activated and used at a Regions Bank Automated Teller Machine located in Laplace, Louisiana. This use and activation in turn caused certain writings, signs, signals, and sounds to be sent from the point of use in Laplace, Louisiana to First Data network computers in Wilmington, Delaware, authorizing and allowing the defendant, **LEOLA STEWART**, to effect the withdrawal of United States currency from the Regions Bank Automated Teller Machine in Laplace, Louisiana.

READ AND APPROVED:

Wayne Mancuso (Date)
Counsel for LEOLA STEWART ___/___/_____

DANIEL P. FRIEL (Date)
Assistant U.S. Attorney ___/___/_____

LEOLA STEWART (Date)
Defendant ___/___/_____