



The United States Attorney's Office

Western District of Virginia

NEWS RELEASE UNITED STATES ATTORNEY'S OFFICE WESTERN DISTRICT OF VIRGINIA

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YORBA LINDA, CALIFORNIA MAN PLEADS GUILTY TO MAIL FRAUD, FALSE TAX STATEMENTS

Acting United States Attorney Julia C. Dudley announced today that Roy Alonzo Dickinson, age 46, of Yorba Linda, California, has pled guilty in United States District Court for the Western District of Virginia in Roanoke to charges that he participated in a conspiracy to commit mail fraud and attempting to interfere with the administration of internal revenue service laws.

"This case establishes that despite the sophisticated manner and means to perpetuate fraud, this office, and its cooperating agencies, will unravel even the most complicated fraudulent scheme," Acting United States Attorney Julia C. Dudley said today. "Those who are intent upon deceit should take notice that despite the complexity and sophistication of your endeavor, if it is fraudulent, it will be prosecuted to the fullest extent of the law"

Dickinson was charged in a ten-count superceding indictment on February 7, 2008. He was charged with one count of mail fraud, five counts of wire fraud, one count of conspiracy to commit mail fraud, one count of money laundering, one count of obstruction of justice and one count of attempting to interfere with the administration of internal revenue service laws.

Today in United States District Court in Roanoke, the defendant pled guilty to one count of conspiring to commit mail fraud and one count of attempting to interfere with the administration of internal revenue service laws.

The facts of the case are as follows:

From November 2001 to March 2005, Dickinson served as the chief financial officer for Courvette Building Systems [CBS], a full-service design, engineering and manufacturing company. CBS installed ATM kiosks and other enclosures, performed field construction work and serviced bank equipment. The company's primary corporate offices and primary manufacturing offices were located in Salem, Virginia, however, Dickinson worked primarily out of a satellite office located in California.

During his time with CBS, Dickinson devised a scheme which involved setting up a corporation using key CBS employees, stealing CBS customers and driving CBS to financial ruin in order to gain personal wealth.

On approximately March 25, 2005, Dickinson, and others, formed a new company, which was to be used as the vehicle to employ CBS employees and take over CBS business. The new company never performed any work, due in part to a temporary restraining order filed on April 8, 2005 by the United States District Court for the Western District of Virginia.

Throughout these schemes, Dickinson ensured that he was enriched personally by causing CBS to pay for his personal items and provide start up capital for his new business. As part of the scheme, Dickinson knew that failing to pay employment taxes to the Internal Revenue Service would likely cause severe financial and business hardship to CBS. Such fiscal problems negatively impacted CBS.

The proceeds Dickinson obtained through his fraud and deception created the appearance that he was independently successful and could accomplish difficult tasks, despite the problems his employer was experiencing.

Between May 2004 and November 2004, Dickinson used his personal credit card to pay for personal expenses, including remodeling his residence and repairs to a property he owned. He submitted to CBS corporate headquarters in Salem, Virginia, documentation showing the amounts expended were CBS business related expenses, when in truth and fact corporate funds were being used to pay his personal obligations. Dickinson's actions caused CBS to make false entries into its accounting records and corporate tax returns.

The personal products/services purchased by Dickinson and charged to CBS include but are not limited to:

- May 6, 2004
\$499 - TiVo
\$1,051.64 - Home Depot
- June 6, 2004
\$462.68 - Pacific Kitchen & Bath
\$790.89 - Pacific Kitchen & Bath
- August 6, 2004
\$4,400 - Sunwest Kitchens, Inc.
- September 7, 2004
\$1,859.71 - Pacific Kitchen & Bath
- October 7, 2004
\$4,265.83 - Pacific Kitchen & Bath
\$992.34 - Home Depot
- November 4, 2004
\$500 - ASL Electric

Dickinson also used the CBS American Express Card to purchase items and services for his personal use. To avoid detection of and to perfect his scheme, Dickinson altered American Express expense reconciliations submitted to CBS showing business related expenses.

The personal expenses charged to the CBS American Express card by Dickinson include but are not limited to:

- February 5, 2004
\$1,473.41 - Silver Oaks Cellars
- April 5, 2004
\$307 - Gary's Studio
- May 5, 2004
\$655.30 - Two charges to River Fun RV Rentals

\$360.33 - Art That Makes You Laugh

- June 5, 2004
 - \$608 - Art of the Game
 - \$87 - Dollar Rental Car
 - \$924.60 - American Airlines for three plane tickets for Dickinson's wife and two children to fly to Key West, Florida.
- July 6, 2004
 - \$150.49 - K-Mart in Key West, Florida for the purchase of a television set which Dickinson left at a hotel in Key West
 - \$85.03 - Hard Rock Café in Key West, Florida
 - \$1,893.96 - Wine Exchange
- August 5, 2004
 - \$1,353.60 - American Airline tickets for Dickinson's wife and children
 - \$381.15 - American Airlines tickets for Dickinson's girlfriend.
- August 6, 2004
 - \$1,250 - An Italian cooking party at Mr. Stox in Anaheim, California
 - \$744.80 - Rental of a limousine from the Dickinson residence to Mr. Stox, which included at least three hours of down time while the limo waited for the party to end
- September 4, 2004
 - \$386.80 - Southwest Airline tickets for Dickinson's girlfriend.
 - \$3,681 - Best Buy for three laptops
 - \$2,435.58 - Best Buy for a desktop computer
 - \$1,070.25 - Three front row tickets for University of Southern California vs. Virginia Tech
- October 5, 2004
 - \$1,829.70 - Front row tickets for six NASCAR races
 - \$265.70 - American Airline tickets for Dickinson's girlfriend
 - \$2,112.54 - Best Buy for laptop computers
- November 4, 2004
 - \$2,540.00 - ASL Electric for work performed at personal residence.
- December 5, 2004
 - \$6,850 - World of Watches for Rolex watch purchased in New York City
 - \$1,788.85 - Jan's Mountain Outfitters for skiing accessories
 - \$1,905.81 - Sticks & Stones for home furnishings
 - \$1,140 - Park City Mountain Resort for season pass for Dickinson's family

Additionally, Dickinson used checks drawn on a CBS account to pay his personal expenses. The defendant altered the checks and created false and fictitious documentation which he caused to be sent via mail to CBS headquarters. These false transactions caused CBS to incorrectly enter items on the corporate books and records and made it difficult for governmental agencies to accurately ascertain and assess amounts due from CBS and Dickinson.

- Check 464 \$1,9750 Larsen's Coin Laundry
- Check 547 \$900 Griffin Equipment
- Check 578 \$800 Griffin Equipment
- Check 602 \$686 Griffin Tools
- Check 708 \$650 Griffin
- Check 812 \$2,075 Griffin Equipment
- Check 613 \$1,100 Ambrosia Key West Tropical Resort, lodging for Dickinson and his family
- Check 605 \$800 Payable to former CBS employee for work performed at Dickinson's private residence

- Check 888 \$3,565 Carpets-4-U
- Check 906 \$1,290.05 Property Tax on Dickinson's rental property in California
- Check 907 \$1,230.16 Property Tax on Dickinson's home in California
- Check 912 \$2,593.23 Property Tax on Dickinson's home in California
- Check 939 \$3,000 Interiors by KC
- Check 990 \$4,000 Payable to former CBS employee for work performed at Dickinson's private residence
- Check 1032 \$2,630 KMB Construction

According to court documents, in each of the above instances, Dickinson changed invoices or checks to show payment for business-related expenses when mailing documents to CBS headquarters.

Today in court, Dickinson admitted to: creating and submitting to corporate accounting departments, bogus invoices, receipts and records of payments which claimed Dickinson incurred legitimate business expenses, when in fact, documentation proves Dickinson's receipt of funds for his personal benefit; using credit cards, intended for business uses, to purchase personal items and caused those purchases to be reflected on CBS books, records and tax returns as business related expenses; submitting expense ledgers which concealed the receipts of funds for his personal financial benefit; and creating a false audit trail which caused the preparation and filing of false corporate and personal tax returns.

Additionally, the defendant donated property to a "tax exempted" church, took a vow of poverty and created numerous trusts to disguise the receipt of income from the sale of the property and conceal ownership of tangible assets. Dickinson also caused false personal tax returns to be filed which understated income and falsely claimed charitable donations.

The maximum penalty faced by the defendant is 8 years imprisonment and/or a fine of \$2.25 million.

The investigation of the case was conducted by the Internal Revenue Service, Criminal Investigation Division and the Federal Bureau of Investigation for the United States Attorney's Office, Western District of Virginia. Assistant United States Attorneys C. Patrick Hogeboom and Charlene R. Day are prosecuting the case.