

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

08-2005-3
CASE NO. MORENO

CLERK OF COURT
SOUTHERN DISTRICT OF FLORIDA

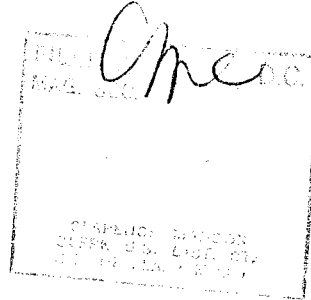
31 U.S.C. § 5313(a)
31 U.S.C. §§ 5324(a)(2) and (d)(2)
31 C.F.R. §§ 103.22 and 103.28
18 U.S.C. § 2

UNITED STATES OF AMERICA

v.

JOSE LUIS ARROLIGA,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

Background

1. The Internal Revenue Service (“IRS”) is an agency of the United States Department of Treasury (“Treasury Department”).

2. Under federal law, specifically, the Bank Secrecy Act, codified at Title 31, United States Code, Sections 5313-5326, and its related federal regulations, financial institutions are required to file with the Treasury Department a “currency transaction report” (“CTR”), FINCEN Form 104, for each financial transaction that involves United States currency in excess of \$10,000. Covered financial transactions include deposits, withdrawals, check cashing, or other transactions involving the physical transfer of currency from one person to another.

3. Before concluding any financial transaction with respect to which a CTR is required, a financial institution is required to verify and accurately record the name and address of the individual presenting a financial transaction, as well as accurately record the identity, social security or taxpayer identification number of any person or entity on whose behalf such financial transaction is to be effected.

4. Cash Flow Financing, Inc., (“Cash Flow”), incorporated in the State of Florida on or about May 22, 2000, has as its principal place of business 5394 W. 16th Avenue, Hialeah, Florida, 33012. Cash Flow, a check cashing store, is licensed and registered in the State of Florida as a money service business. As a money service business, Cash Flow is a “financial institution” as that term is defined in Title 31, United States Code, Section 5312(a)(2)(k) and under Title 31, Code of Federal Regulations, Sections 103.11(n)(3) and (uu)(2), subject to the CTR filing requirements of the Bank Secrecy Act and attendant regulations.

5. Maytemar Corporation, d/b/a “La Bamba Check Cashing” (“La Bamba”), incorporated in the State of Florida on or about May 4, 1993, has a principal place of business located at 7378 S.W. 42nd Street, Miami, Florida, with storefront locations throughout the South Florida area. La Bamba, a check cashing store, is licensed and registered in the State of Florida as a money service business. As a money service business, La Bamba is a “financial institution” as that term is defined in Title 31, United States Code, Section 5312(a)(2)(k) and under Title 31, Code of Federal Regulations, Sections 103.11(n)(3) and (uu)(2), subject to the CTR filing requirements of the Bank Secrecy Act and attendant regulations.

6. On or about April 6, 2007, the operator and de facto owner of Cash Flow became a cooperating witness (“CW”), assisting the IRS in an undercover operation to investigate possible illegal activities within the local money service industry. Using Cash Flow as the venue, the CW

presented himself as someone willing to cash checks of substantial amounts and to assist in the filing of false CTRs, which would disguise the true identity of the parties involved in the financial transactions and the source of the funds being cashed.

Defendant and Other Relevant Entity

7. WF. Construction, Inc. (“WF. Construction”) was a Florida corporation established on or about December 8, 2006. WF. Construction, a purported construction company, was a shell company with no true operations. W.A. was the nominee owner of WF. Construction, listed in corporate records as the president, incorporator, and registered agent of WF. Construction. From on or about September 6, 2007, to on or about September 28, 2007, La Bamba filed CTRs with the Treasury Department reflecting financial transactions by WF. Construction totaling more than \$406,000.

8. Defendant **JOSE LUIS ARROLIGA** worked closely with Cash Flow, recruiting companies and individuals to become customers of the check cashing store, for which **ARROLIGA** would receive an agreed upon fee and commission. **ARROLIGA** established the shell company, WF. Construction, using W.A., a relative of **ARROLIGA**, as the nominee owner of this company. WF. Construction was ultimately used at the direction of **ARROLIGA** by Cash Flow customers to cash checks in anonymity.

COUNTS 1-5
CAUSE AND ATTEMPT TO CAUSE
THE FILING OF FALSE CURRENCY TRANSACTION REPORTS
(31 U.S.C. §§ 5313(a), 5324(a)(2) and (d)(2);
31 C.F.R. §§ 103.22 and 103.28; and 18 U.S.C. § 2)

1. Paragraphs 1 through 8 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

2. On or about the dates set forth below, in Miami Dade County, in the Southern District of Florida, and elsewhere, the defendant,

JOSE LUIS ARROLIGA,

did knowingly and for the purpose of evading the reporting requirements of Title 31, United States Code, Section 5313(a), and the regulations prescribed thereunder, cause and attempt to cause a domestic financial institution to file a report required by Title 31, United States Code, Section 5313(a), specifically, a Currency Transaction Report on Treasury Department, FINCEN Form 104, that contained a material omission and misstatement of fact concerning, among other things, the true identity of the parties involved in the financial transactions and the source of the funds involved, as part of a pattern of illegal activity involving more than \$100,000 in a 12-month period, as specified in more detail below.

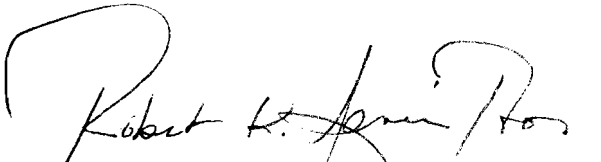
COUNT	APPROX. DATE OF TRANSACTION	CLAIMED FINANCIAL TRANSACTION	CTR NO.
1	9/11/07	Checks payable to WF. Construction totaling \$25,240 cashed at La Bamba by the CW	20072836088530
2	9/13/07	Checks payable to WF. Construction totaling \$32,642 cashed at La Bamba by the CW	20072836088630
3	9/14/07	Checks payable to WF. Construction totaling \$105,306 cashed at La Bamba by the CW	20072836088830
4	9/18/07	Checks payable to WF. Construction totaling \$29,195 cashed at La Bamba by the CW	20072836088730

COUNT	APPROX. DATE OF TRANSACTION	CLAIMED FINANCIAL TRANSACTION	CTR NO.
5	9/21/07	Checks payable to WF. Construction totaling \$55,558 cashed at La Bamba by the CW	20072836088930


In violation of Title 31, United States Code, Sections 5313(a), 5324(a)(2) and (d)(2);
Title 31, Code of Federal Regulations, Section 103.22 and 103.28; and Title 18, United States
Code, Section 2.

A TRUE BILL

FOREPERSON



R. ALEXANDER ACOSTA
UNITED STATES ATTORNEY



WILFREDO FERNANDEZ
ASSISTANT UNITED STATES ATTORNEY