

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

Civil Division

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**Superior Court of the
District of Columbia
Washington, D.C.**

THE DISTRICT OF COLUMBIA
A Municipal Corporation
441 4th Street, N.W., 6th Floor N
Washington, D.C. 20001,

Plaintiff,

v.

BANK OF AMERICA, N.A.,
BANK OF AMERICA CORPORATION
c/o Bank of America Corporate Affairs
100 North Tryon Street
Mail Code NC1-007-18-01
Charlotte, NC 28255,

Serve:

Mayor Adrian Fenty
c/o Stephanie D. Scott, Ph.D.
Secretary of the District of Columbia
1350 Pennsylvania Avenue, N.W., Rm 419
Washington, D.C. 20004,

George J. Sukatos, Esq.
Bank of America Corporate Affairs
100 North Tryon Street
Mail Code NC1-007-18-01
Charlotte, NC 28255,

and

JAYRECE ELAINE TURNBULL
2206 Bermondsey Drive
Bowie, MD 20721,

and

HARRIETTE WALTERS
6880 Oregon Avenue, N.W.
Washington, D.C. 20015,

JURY TRIAL DEMANDED

Case No.:

Calendar No.:

Judge:

0007763-08

and)
)
WALTER R. JONES, JR.)
3 Anchor Bay Court)
Essex, MD 21221,)
)
and)
)
JANE and JOHN DOES)
Presently Unknown,)
)
Defendants.)
)
 _____)

COMPLAINT

The District of Columbia, by and through the Office of the Attorney General, its attorneys, pursuant to D.C. Official Code § 11-921 (2001), and common law, hereby brings suit against Defendants and respectfully states as follows:

JURISDICTIONAL ALLEGATIONS

1. This Court has subject matter jurisdiction pursuant to D.C. Official Code § 11-921 (2001). This Court has personal jurisdiction over Defendants pursuant to D.C. Official Code §§ 13-422 and 13-423 (2001).
2. The actions from which this case arose took place both within the District of Columbia and outside the District of Columbia.
3. All Defendants engaged in a conspiracy to defraud the District of Columbia government and acted in furtherance of the conspiracy both within the District of Columbia and outside the District of Columbia.
4. Defendant Bank of America, N.A., has substantial contacts with the District of Columbia.

THE PARTIES

5. Plaintiff is the District of Columbia (“the District”), a municipal corporation that is authorized to sue and be sued.

6. Defendant Bank of America, N.A. is a national Bank registered with the Federal Deposit Insurance Corporation with certificate number 3510 and doing business at several locations in the District of Columbia and various other localities. Defendant Bank of America Corporation is a holding company that owns and operates Bank of America, N.A. (hereinafter, collectively, “Defendant Bank” or “Bank”), for purposes of doing business in the District of Columbia and Maryland.

7. Defendant Jayrece Elaine Turnbull is a resident of the State of Maryland. Ms. Turnbull participated in the conspiracy described below which originated in the District of Columbia. During the course of the conspiracy, Ms. Turnbull owned a number of bank accounts, including accounts under the names of “Chappa Home Services,” “Legna Home Services,” and variants of those names at Defendant Bank. It is alleged herein that Ms. Turnbull deposited fraudulently issued tax refund checks into these accounts.

8. Defendant Harriette Walters is a resident of the District of Columbia. Ms. Walters participated in the conspiracy described below which originated in the District of Columbia. Ms. Walters was employed by the District since 1981 and was the Manager of the District’s Real Property Tax Administration Adjustments Unit (“RPTAAU”), a part of the District’s Office of Tax and Revenue (“OTR”), since 2004 until sometime after August 2007. OTR is located at 941 North Capitol Street, N.E., Washington, D.C. 20002. As Manager of the RPTAAU, one of Ms. Walters’s duties was to authorize or decline property tax refund requests or vouchers.

9. Defendant Walter R. Jones, Jr. is a resident of the State of Maryland. Mr. Jones participated in the conspiracy described below. Beginning in 1994 and lasting until at least February 2007, Mr. Jones was an employee of NationsBank and then Defendant Bank, which acquired NationsBank. Mr. Jones was employed first as a Banking Center Service Manager and then promoted to an Assistant Branch Manager at Defendant Bank. Mr. Jones' activities in furtherance of the conspiracy took place in the District and in Maryland. Mr. Jones assisted and facilitated the negotiation of fraudulently issued tax refund checks into accounts held by Defendants and others at Defendant Bank. At all relevant times, Mr. Jones was acting within the scope of his authority as an employee of Defendant Bank.

10. Defendants Jane and John Does are employees of Defendant Bank who are presently unknown.

FACTS RELEVANT TO ALL COUNTS

11. Paragraphs 1-10 are adopted and incorporated herein as if repeated in full.

12. At all relevant times, the District maintained a bank account with Defendant Bank. That account was used to write checks, including tax refund checks.

13. Beginning no later than October 2000 and continuing through at least August 2007, employee(s) of the District, employee(s) of Defendant Bank, and other person(s) conspired and agreed to defraud the District by creating false tax refund vouchers that produced fraudulent tax refund checks that were, in turn, deposited and cashed at branches of Defendant Bank.

14. Employees of the District prepared and approved at least one hundred and sixteen (116) fraudulent tax refund checks during the conspiracy. To obtain a tax refund check, a voucher must be submitted and approved by two different employees.

15. To date, at least one hundred and sixteen (116) fraudulent tax refund checks, worth more than thirty-four million dollars (\$34,000,000.00), have been identified as having been laundered through Defendant Bank.

16. Defendant Walters used her position of authority at OTR to prepare the fraudulent property tax vouchers and then used her authority to ensure that the fraudulent vouchers were approved. Defendant Walters procured the fraudulently issued tax refund checks and gave them to her co-conspirators to deposit or cash. Of the vouchers for the one hundred and sixteen (116) fraudulent tax refund checks that have been found so far, all were approved by Defendant Walters.

17. Once the conspirators obtained the fraudulent tax refund checks, they deposited the checks into bank accounts they controlled, including accounts at branches of Defendant Bank in the District of Columbia and Maryland.

18. Beginning in or about 1994 and continuing throughout the conspiracy, Defendant Walters gave gifts to various tellers at Defendant Bank for their cooperation in the scheme to deposit fraudulently issued tax refund checks. Without the help of these employees of Defendant Bank, the conspiracy could not have succeeded.

19. Based on knowledge and belief, substantially all fraudulent tax refund checks were cashed at branches of Defendant Bank located at 7703 Eastpoint Mall, Baltimore, MD 21224, and on Minnesota Avenue, S.E., in the District, with the assistance of Defendant Jones. At all relevant times, Defendant Jones was an employee with

supervisory authority at the different branches of Defendant Bank where the checks were cashed.

20. Defendant Jones met Defendant Walters in or about 1994 or 1995, when she was a Bank customer. Defendant Jones and Defendant Walters developed a friendship, and Defendant Walters asked Defendant Jones for help with her banking transactions. Defendant Walters offered Defendant Jones one hundred dollars (\$100) for his assistance. Though Defendant Jones initially declined the money, he eventually accepted payment and ultimately collected approximately one thousand dollars (\$1,000) for his assistance.

21. At the request of Defendant Walters, Defendant Jones deposited checks issued by the District into accounts at Defendant Bank.

22. Defendant Jones' duties and authority at Defendant Bank allowed him to approve deposits and withdrawals or transfers of the moneys received by way of the fraudulent tax refund checks.

23. The payees on those fraudulent tax refund checks were often the same or similar names repeated time and again. The conspirators either picked the checks up at OTR, or the checks were mailed to them.

24. The fraudulent tax refund checks were then deposited into "dummy" accounts at Defendant Bank.

25. Some of these fraudulent tax refund checks were cashed despite the fact that the payee's name on the check did not match the account holder's name on the Bank account.

26. From her office at OTR, Defendant Walters would often call Defendant Jones to tell him that someone was coming to the Bank and that he should assist in making the deposit.

27. In February 2007, security personnel at Defendant Bank learned that Defendant Jones, who was at that time, an Assistant Branch Manager for Defendant Bank at the Eastpoint Mall branch in Baltimore, was making a large number of high-dollar withdrawals from Defendant Turnbull's accounts at Defendant Bank when Defendant Turnbull was not present. In the course of its investigation of this issue, Defendant Bank discovered the following:

a) Defendant Jones made transactions in several Defendant Bank accounts owned and/or controlled by Defendant Turnbull, including: (1) an account number owned by Defendant Turnbull d/b/a Chapa Interiors; (2) two accounts owned by Defendant Turnbull d/b/a Chapa Interiors; (3) a personal account owned by Defendant Turnbull; and (4) a personal account owned by Defendant Turnbull and another individual.

(b) On or about May 17, 2002, Defendant Jones caused the following proceeds of check number 5564180 in the amount of \$347,392.12 to be distributed to co-conspirators as follows:

Check No.	Recipient	Amount
N/A	Jayrece Turnbull	\$2,000
N/A	Jayrece Turnbull	\$55,000
N/A	Jayrece Turnbull	\$10,000
222434	Harriette M. Walters	\$92,000
222435	Harriette M. Walters	\$92,000

222436	Connie Alexander	\$10,000
222437	[unknown individual]	\$10,000
222438	Jayrece Turnbull	\$10,000
222440	Harriette M. Walters	\$10,000

c) On or about January 25, 2007, Defendant Jones caused the following cashiers' checks to be issued on behalf of Defendant Turnbull as follows:

Check No.	Recipient	Amount
1377274	Harriette M. Walters	\$10,000
1381817	Ricardo Walters	\$10,000
1377273	J.T., a/k/a J.I.	\$10,000
1377272	Connie Alexander	\$10,000
1377271	Ricardo Walters	\$10,000

d) In or about November and December 2006, Defendant Jones deposited approximately \$91,000 into two accounts at Defendant Bank that he owned or controlled. Investigators at Defendant Bank found these deposits to be highly irregular because the amount substantially exceeded Defendant Jones' income as an Assistant Branch Manager.

28. Security personnel at Defendant Bank interviewed Defendant Jones on February 2, 2007. Defendant Jones informed them that Defendant Turnbull conducted her financial transactions at Defendant Bank exclusively with Defendant Jones. Whenever

Defendant Jones transferred from one Defendant Bank location to another, Defendant Turnbull followed him to the new location to maintain their ongoing financial relationship.

29. Defendant Jones stated that Defendant Turnbull authorized him to carry out withdrawal transactions on Defendant Bank accounts on her behalf. Accordingly, Defendant Jones withdrew money from Defendant Turnbull's accounts without obtaining Defendant Turnbull's signature on the withdrawal paperwork (instead, Defendant Jones wrote "per customer request" on the signature line). After obtaining the funds, Defendant Jones would wait for one of Defendant Turnbull's designees to pick up the funds, or he would deliver the funds personally to Defendant Turnbull.

30. Defendant Jones told security personnel at Defendant Bank that Defendant Turnbull gave him \$145,000.00 to assist him in paying off some debts. He also provided a signed, written statement, dated February 2, 2007, which reads as follows: "All transactions I, Walter Jones, have done for Ms. Jayrece Turnbull, was (sic) authorized by the customer. I have done w/d [withdrawal] and other transactions without the customer being present in the office. She have (sic) given me monies (\$145,000 in three months) as gifts."

31. Shortly after their interview of Defendant Jones, security personnel at Defendant Bank spoke with Defendant Turnbull. Defendant Turnbull stated that she authorized Defendant Jones to conduct the transactions in question. Defendant Turnbull also stated that she gave Defendant Jones money and maintained that Defendant Bank did not need to know why she had done so.

32. Defendant Bank terminated Defendant Jones on February 2, 2007, for violating Defendant Bank's employee standards of conduct.

33. While working at Defendant Bank, Defendant Jones deposited the following checks on behalf of the conspiracy:

Check No.	Date	Check Amount	Payee	Branch Negotiated
5207892	9/27/2000	\$158,558.20	Aegis Company, LLC Hold for pick-up	Minnesota Avenue
5233322	11/2/2000	\$124,829.01	Helmet-Crow Company; Attn: Jeff Nadel, Esq. Hold for pick-up	Walter Jones' Signature
5244591	11/24/2000	\$71,777.95	Forst American Company; Attn: Tammie Johnson	Minnesota Avenue
5250736	12/5/2000	\$258,325.58	Modern Management Corp.; Attn: Cafritz Co. Agent; Hold for pick-up	Minnesota Avenue
5266626	1/5/2001	\$236,500.00	Wilco Constru [sic] & Associates; Attn: C.L. Alexander, Esq.; Hold for pick-up	Walter Jones' signature
5445810	10/16/2001	\$126,000.00	JBS Venture; Attn: C.L. Alexander, Inc. P.O. Box 75	Walter Jones' signature
5461532	11/7/2001	\$160,691.25	Prudential Asset Resources; c/o Brenda Smith; 2200 Ross Avenue, Suite 4200E	Walter Jones' signature
5475732	12/4/2001	\$124,829.01	Feddistrict, LLC/Trammell; Attn: Alexander Lemos, Esq. Box 300060	Minnesota Avenue
5482442	12/19/2001	\$145,145.32	Insignia/ESG, Inc.; Attn: Jeff Nagel, Esq., 7507 Georgia Avenue	Minnesota Avenue
5492166	1/10/2002	\$114,196.98	DC 17 th Street Corporation; Attn: C.L. Lemos, Esq.	Minnesota Avenue
5508908	2/11/2002	\$190,065.38	Nehemiah LTD Partnership; Jeff Nagel, Esq.; 2400 14 th Street, N.W.	Walter Jones' signature

5520825	2/27/2002	\$185,627.02	Grubb and Ellis, c/o Lemos Home Services; Attn: Cheri Delaney, RPA	Minnesota Avenue
5541933	4/5/2002	\$222,303.28	Jones Lang LaSalle, Inc. c/o Wiles [sic] and Artis; Hold for pick-up	Minnesota Avenue
5551193	4/24/2002	\$74,299.20	Wiynter [sic] and Associates, Inc., c/o Wilkes and Artis; hold for pick-up	Walter Jones' signature
5551194	4/24/2002	\$86,576.42	Jenco Group, Inc.; Attn: Lemoshume [sic] Services; 730 11 th Street, N.W. #700	Walter Jones' signature
5574039	5/30/2002	\$105,382.11	J R Morriss [sic] & Associates, LLC; Jeff Nagel, Esq.; 9805 Kirktree Court	Minnesota Avenue
5606267	7/12/2002	\$229,376.50	Hunson Paige Associates, LTD; c/o Wilkes and Artis, Esq.; 1660 K Street, NW	Minnesota Avenue
5629026	8/16/2002	\$214,452.00	Avalonbay Communities, Inc.; c/o C.L. Alexander, Esq.; hold for pick-up	Minnesota Avenue
5677198	10/23/2002	\$225,835.05	Piper Rudrick [sic] Partnership; c/o Lena [sic] Home Services; Hold for pick-up	Walter Jones' signature
5692048	11/6/2002	\$134,099.89	Capitol Commons; c/o Alexader [sic] Pope; Hold for Pick-up	Minnesota Avenue
5702628	11/26/2002	\$271,045.02	Capmark Services, Inc.; Lenahome [sic] Tax Service Corp; 1717 H St. NW	Minnesota Avenue
5767324	3/12/2003	\$250,000.00	Monumen [sic] Realty, LLC; c/o Wilkes and Artis Esq.; Hold for pick-up	Minnesota Avenue
5785189	4/3/2003	\$290,646.95	Boston Properties, Inc. Legnahome Services; Hold for pick-up	Minnesota Avenue

5805385	5/5/2003	\$258,990.35	Trammel Crow; c/o Leghome [sic] Services, LLC	Minnesota Avenue
5817354	5/27/2003	\$248,801.08	Bernard S. Gerwitz. CO [sic] Legnahome Services, Inc.; hold for pick-up	Minnesota Avenue
5950262	12/17/2003	\$187,167.56	The Mark Winkler Company c/o David Fuss/Wilkes & Artis [sic], Esq.	Iverson Mall
5971993	1/23/2004	\$195,655.24	2011 Land LTD; Wilkes Artis, Esq.; Hold for pick-up	Walter Jones' signature
6025808	4/13/2004	\$346,700.00	Btodkelfd [sic] Inc. LTD c/o Wilkes Artis Esq.; Hold for pick-up	Iverson Mall
6036567	4/28/2004	\$271,045.02	Boston Properties c/o Wilkes Artis Esq.; Hold for pick-up	Iverson Mall
6058185	6/1/2004	\$297,615.00	Equity Property Group, LLC c/o Legnahomw [sic] Services; Hold for pick-up	Iverson Mall
6063572	6/14/2004	\$324,000.00	Trommel Crow Copr [sic] c/o Wilkes Arits [sic], LLC; Hold for pick-up	Iverson Mall
6098561	8/5/2004	\$452,620.99	Tower Construction Co. c/o Legnahome Services; Hold for pick-up	Iverson Mall
6108893	8/25/2004	\$360,870.00	2001 Associated Crow LLX c/o Legnahome Services, Inc.; Hold for pick-up	Iverson Mall
6119737	9/10/2004	\$388,200.96	19 th and K Venture c/o Wilkes Artis LLC; Hold for pick-up	Iverson Mall
6119738	9/10/2004	\$425,660.00	225 Virginia [sic] /Tremont LLC c/o Legnahame [sic] Service Inc.; Hold for pick-up	Iverson Mall

6159697	11/4/2004	\$333,981.65	Trammel Crow Corp c/o Legnahomw [sic] Wervices [sic]; Hold for pick-up	Iverson Mall
6177668	11/26/2004	\$346,700.00	Bilkemor LLC Real Estate Inc. c/o David Fuss, Esq.; Hold for pick-up	Iverson Mall
6182291	12/3/2004	\$326,000.00	Trizechahn, LLC c/o David Fuss, Esq.; Hold for pick-up	Iverson Mall
6182292	12/3/2004	\$465,509.49	Monument Realty Group LLC c/o Lanahome [sic] Services; Hold for pick-up	Iverson Mall
6189970	12/17/2004	\$367,025.00	CSC Penn, LLC c/o David Fuss, Esq.; Hold for pick-up	Iverson Mall
6243600	3/11/2005	\$350,000.00	1301 Limited Partnership c/o Chyappahome Services Inc.; Hold for pick-up	Iverson Mall
6325291	7/6/2005	\$349,600.00	Washington Realty Group c/o Wilkes Artis, LLC; Hold for pick-up	Johns Hopkins Office
6351562	8/16/2005	\$344,625.59	Breblackthorne Realty c/o David Fuss, Esq.; Hold for pick-up	Johns Hopkins Office
6394634	10/19/2005	\$373,005.00	Fund III GMB Hand Coke, LLC c/o David Fuss; Hold for pick-up	Johns Hopkins Office
6434067	12/20/2005	\$309,900.08	Fifteen [sic] Street LTD Partnership c/o Chappahome Corporation; Hold for pick-up	Johns Hopkins Office
6446678	1/13/2006	\$380,000.00	Thirteenth [sic] Street Associates c/o Chappahome, Inc.; Hold for pick-up	Walter Jones' Signature
6468798	2/22/2006	\$325,000.00	Srann Company c/o David Fuss, Esq.; Hold for pick-up	Eastpoint