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EASTERN DISTRICT OF CALIFORNIA
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1 BENJAMIN B. WAGNER
United States Attorney
2 GRANT B. RABENN
Assistant United States Attorney
3 2500 Tulare Street, Suite 4401
Fresno, CA 93721
4 Telephone: (559) 497-4000
Facsimile: (559) 497-4099
5 Attorneys for Plaintiff
6 United States of America

7
8 IN THE UNITED STATES DISTRICT COURT
9 EASTERN DISTRICT OF CALIFORNIA

10 UNITED STATES OF AMERICA,
11 Plaintiff,

12 v.

13 DAVID RYAN BURCHARD,
14 Defendant.
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18

CASE NO. 1:16 CR 00051 LJO SKO *0

VIOLATIONS:

21 U.S.C. §§ 846 and 841(a)(1) & 841(b)(1)(C) -
Conspiracy to Distribute and to Possess with the
Intent to Distribute a Controlled Substance;
21 U.S.C. § 841(a)(1) & 841(b)(1)(C) – Distribution
of a Controlled Substance (3 Counts);
18 U.S.C. § 1956 - Money Laundering (11 Counts);
18 U.S.C. § 1957 - Money Laundering;
31 U.S.C. § 5324(b)(1) & (d)(2) – Causing or
Attempting to Cause a Non-Financial Trade or
Business to Fail to File a Form 8300 (3 Counts); and
21 U.S.C. § 853(a), 18 U.S.C. § 982(a)(1), 31 U.S.C.
§ 5317(c)(1) – Criminal Forfeiture.

19 INDICTMENT

20 I. INTRODUCTION

21 At all relevant times herein:

- 22 1. Defendant DAVID RYAN BURCHARD resided in or around Merced, in the State and
- 23 Eastern District of California.
- 24 2. Marijuana was a drug classified under federal law as a Schedule I controlled substance.
- 25 3. Cocaine was a drug classified under federal law as a Schedule II controlled substance.
- 26 4. Wells Fargo was a financial institution whose deposits were insured by the Federal
- 27 Deposit Insurance Corporation.
- 28 5. Boat Country Inc. was a boat dealership located in Escalon, in the State and Eastern

1 District of California.

2 II. BANK SECRECY ACT LAWS AND REGULATIONS

3 6. Pursuant to Title 31, United States Code, Section 5331, and regulations thereunder,
4 including 31 C.F.R. Chapter X, Part 1010.330, any person, including a corporation, engaged in a trade or
5 business that receives, in the course of its trade or business, more than \$10,000 in coins or currency in
6 one or more related transactions in any one year period, must file within fifteen days a Form 8300
7 regarding such transactions with the Financial Crimes Enforcement Network, Department of Treasury.
8 31 C.F.R. Chapter X, Part 1010.313(b) provides that multiple payments relating to a single transaction at
9 the trade or business must be treated as a single transaction.

10 7. To complete a Form 8300, the non-financial trade or business is required to verify and
11 record the name and address of the person presenting the transaction, and the identity, account number
12 and taxpayer identification number, if any, of any person or entity on whose behalf the transactions were
13 to be effected. Form 8300s are filed with the Financial Crimes Enforcement Network, Department of
14 Treasury, and are made available to law enforcement.

15 8. It is a crime under Section 5324 of Title 31, United States Code, to knowingly cause or
16 attempt to cause a non-financial trade or business to fail to file a Form 8300 for the purpose of evading
17 the Form 8300 filing requirement.

18 9. 31 C.F.R. Chapter X, Part 1010.100(xx) defines “structuring” to include conducting one
19 or more transactions in currency, in any amount, on one or more days, in any manner, for the purpose of
20 evading the reporting requirements under Part 1010.311. The regulation applies to a person “acting
21 alone, or in conjunction with or on behalf of other persons,” and defines “in any manner” to include the
22 breaking down of a single sum of currency exceeding \$10,000 into smaller sums, as well as conducting
23 a series of currency transactions, including transactions “at or below \$10,000.” In addition, the
24 regulation provides that “the transaction or transactions need not exceed the \$10,000 reporting threshold
25 at any single financial institution on any single day in order to constitute structuring.”

26 10. As a non-financial trade or business, Boat Country Inc. was a required to file a Form
27 8300, as set forth in 31 C.F.R. Chapter X, Part 1010.330, et. seq.

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1 COUNT ONE: [21 U.S.C. §§ 846 and 841(a)(1) & 841(b)(1)(C) - Conspiracy to Distribute and to Possess with Intent to Distribute a Controlled Substance]

2 The Grand Jury charges: T H A T

3 DAVID RYAN BURCHARD,

4 defendant herein, as follows:

5 11. Paragraphs 1 through 10 are incorporated by reference as fully set forth herein.

6 12. Beginning at a time unknown, but no later than in or around March, 2013, and continuing
7 to in our around March 2016, in the Counties of Merced and Fresno, within the State and Eastern
8 District of California, and elsewhere, did knowingly and intentionally conspire with other persons,
9 known and unknown to the Grand Jury, to distribute and to possess with intent to distribute a controlled
10 substance, to wit: Marijuana, a Schedule I controlled substance, and Cocaine, a Schedule II controlled
11 substance, in violation of Title 21, United States Code, Sections 846 and 841(a)(1) & 841(b)(1)(C).
12
13

14 COUNT TWO: [21 U.S.C. §§ 841(a)(1) and 841(b)(1)(C) – Distribution of Controlled Substances]

15 The Grand Jury further charges: T H A T

16 DAVID RYAN BURCHARD,

17 defendant herein, as follows:

18 13. Paragraphs 1 through 10 are incorporated by reference as fully set forth herein.

19 14. Defendant herein, on or about March 20, 2015, in the County of Fresno, within the State
20 and Eastern District of California, and elsewhere, did knowingly and intentionally distribute, and aid and
21 abet the distribution of, Marijuana, a Schedule I controlled substance, in violation of Title 21, United
22 States Code, Sections 841(a)(1) and 841(b)(1)(C).
23

24 COUNT THREE: [21 U.S.C. §§ 841(a)(1) and 841(b)(1)(C) – Distribution of Controlled Substances]

25 The Grand Jury further charges: T H A T

26 DAVID RYAN BURCHARD,

27 defendant herein, as follows:
28

1 15. Paragraphs 1 through 10 are incorporated by reference as fully set forth herein.

2 16. Defendant herein, on or about March 25, 2015, in the County of Fresno, within the State
3 and Eastern District of California, and elsewhere, did knowingly and intentionally distribute, and aid and
4 abet the distribution of, Marijuana, a Schedule I controlled substance, in violation of Title 21, United
5 States Code, Sections 841(a)(1) and 841(b)(1)(C).
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7 COUNT FOUR: [21 U.S.C. §§ 841(a)(1) and 841(b)(1)(C) – Distribution of Controlled Substances]

8 The Grand Jury further charges: T H A T

9 DAVID RYAN BURCHARD,

10 defendant herein, as follows:

11 17. Paragraphs 1 through 10 are incorporated by reference as fully set forth herein.

12 18. Defendant herein, on or about December 31, 2015, in the County of Merced, within the
13 State and Eastern District of California, and elsewhere, did knowingly and intentionally distribute, and
14 aid and abet the distribution of, Marijuana, a Schedule I controlled substance, in violation of Title 21,
15 United States Code, Sections 841(a)(1) and 841(b)(1)(C).
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17 COUNTS FIVE through FIFTEEN: [18 U.S.C. § 1956(a)(1)(B)(i) – Money Laundering]

18 The Grand Jury further charges: T H A T

19 DAVID RYAN BURCHARD,

20 defendant herein, as follows:

21 19. Paragraphs 1 through 10, 12, 14, 16, and 18 are incorporated by reference as fully set
22 forth herein.

23 20. On or about the dates set forth below, in the Counties of San Joaquin and Riverside,
24 within the State and Eastern and Central Districts of California, and elsewhere, did knowingly conduct
25 the following financial transactions affecting interstate and foreign commerce, which involved the
26 proceeds of a specified unlawful activity, to wit: the distribution of a controlled substance (Marijuana
27 and Cocaine), in violation of Title 21, United States Code, Section 841(a)(1) and (b)(1)(C), knowing that
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1 the transaction was designed in whole or in part to conceal and disguise the nature, location, source,
 2 ownership, and control of the proceeds of such specified unlawful activity and that while conducting and
 3 attempting to conduct such financial transaction, knew that the property involved in the financial
 4 transaction represented the proceeds of some form of unlawful activity.
 5

<u>Count</u>	<u>Approximate Date</u>	<u>Description</u>
Five	July 23, 2014	Payment of \$5,000 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Six	August 5, 2014	Payment of \$5,800 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Seven	August 13, 2014	Payment of \$7,000 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Eight	August 20, 2014	Payment of \$7,500 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Nine	August 28, 2014	Payment of \$7,000 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Ten	September 4, 2014	Payment of \$7,000 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Eleven	September 11, 2014	Payment of \$3,680 cash from DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Twelve	December 17, 2014	Payment of \$9,500 cashier's check issued by Wells Fargo in Merced, California from DAVID RYAN BURCHARD to Statewide Auto Sales for the purchase of a 2010 Jaguar XJ in Sun City, State and Central District of California.

1 2 3	Thirteen January 7, 2014	Payment of \$9,900 cashier's check issued by Wells Fargo in Merced, California from DAVID RYAN BURCHARD to Statewide Auto Sales for the purchase of a 2010 Jaguar XJ in Sun City, State and Southern District of California.
4 5 6	Fourteen January 7, 2014	Payment of \$9,100 cashier's check issued by Wells Fargo in Merced, California from by DAVID RYAN BURCHARD to Statewide Auto Sales for the purchase of a 2010 Jaguar XJ in Sun City, State and Southern District of California.
7 8 9	Fifteen February 5, 2014	Payment of \$9,500 cashier's check issued by Wells Fargo in Merced, California from DAVID RYAN BURCHARD to Statewide Auto Sales for the purchase of a 2010 Jaguar XJ in Sun City, State and Central District of California.

10 All in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

11 COUNT SIXTEEN: [18 U.S.C. § 1957 – Money Laundering]

12 The Grand Jury further charges: T H A T

13 DAVID RYAN BURCHARD,

14 defendant herein, as follows:

15 21. Paragraphs 1 through 10, 12, 14, 16, 18, and 20 are incorporated by reference as fully set
16 forth herein.

17 22. On or about the date set forth below, in Sun City, within the State and Eastern and
18 Central Districts of California, and elsewhere, did knowingly engage in a monetary transaction
19 involving criminally derived property, through a financial institution, affecting interstate or foreign
20 commerce, of a value greater than \$10,000, such property having been derived from a specified unlawful
21 activity, to wit: the distribution of a controlled substance (Marijuana and Cocaine), in violation of Title
22 21, United States Code, Section 841(a)(1) and (b)(1)(C).

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<u>Approximate Date</u>	<u>Description</u>
February 12, 2014	Payment of \$19,000 cashier's check issued by Wells Fargo in Merced, California from DAVID RYAN BURCHARD to Statewide Auto Sales for the purchase of a 2009 Mercedes S Class MBZ in Sun City, State and Central District of California.

All in violation of Title 18, United States Code, Section 1957.

COUNTS SEVENTEEN THROUGH NINETEEN: [31 U.S.C. § 5324(b)(1) & (d)(2) – Causing or Attempting to Cause a Non-Financial Trade or Business to Fail to File a Form 8300]

The Grand Jury further charges: T H A T

DAVID RYAN BURCHARD,

defendant herein, as follows:

23. Paragraphs 1 through 10, 12, 14, 16, 18, 20, and 22 are incorporated by reference as fully set forth herein.

24. On the dates set forth below, in the County of San Joaquin, within the State and Eastern District of California, and elsewhere, did knowingly and for the purpose of evading the reporting requirements of Section 5331 of Title 31, United States Code, and the regulations promulgated thereunder, conduct the following transactions in a manner to cause or attempt to cause a non-financial trade or business, to wit: Boat Country Inc., to fail to file a report required under Section 5331 of Title 31, United States Code, and the regulations promulgated thereunder, and did so while violating another law of the United States, to wit: the distribution of a controlled substance (Marijuana and Cocaine), in violation of Title 21, United States Code, Section 841(a)(1) and (b)(1)(C).

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<u>Counts</u>	<u>Approximate Date</u>	<u>Description</u>
Seventeen	July 23, 2014	Payment of \$5,000 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
	August 5, 2014	Payment of \$5,800 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Eighteen	August 13, 2014	Payment of \$7,000 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
	August 20, 2014	Payment of \$7,500 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
Nineteen	August 28, 2014	Payment of \$7,000 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
	September 4, 2014	Payment of \$7,000 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.
	September 11, 2014	Payment of \$3,680 cash by DAVID RYAN BURCHARD to Boat Country Inc. for the purchase of a 2014 Supra SA 350 in Escalon, State and Eastern District of California.

All in violation of Title 31, United States Code, Sections 5324(b)(1) and (d)(2), and Title 31 Code of Federal Regulations, Chapter X, Part 1010, et seq.

FORFEITURE ALLEGATION: [21 U.S.C. § 853(a), 18 U.S.C. § 982(a)(1) and 31 U.S.C. § 5317(c)(1) Criminal Forfeiture]

25. Upon conviction of one or more of the offenses alleged in Counts One through Four of this Indictment, defendant DAVID RYAN BURCHARD shall forfeit to the United States pursuant to Title 21, United States Code, Section 853(a), any property which constitutes or is derived from proceeds obtained, directly or indirectly, as a result of such offenses, and any property used, or intended to be used, in any manner or part, to commit or to facilitate the commission of the offenses, including, but not limited to:

- 1 a. 2013 Mercedes C250, VIN Number WDDGF4HB1DR241728, California License
- 2 number 7FAD065;
- 3 b. 2009 Mercedes S63, VIN Number WDDNG77X59A246729, California License
- 4 number 7CIR676;
- 5 c. 2010 Jaguar XJ, VIN Number SAJWA1CB3ALV00102, California License
- 6 number 7EAV409; and
- 7 d. 2007 Chevrolet Tahoe, VIN Number 1GNFC13027J406800, California License
- 8 number 6BOK924.
- 9 e. A sum of money equal to the total amount of proceeds obtained as a result of the
- 10 offenses, for which defendant is convicted.

11 26. Upon conviction of the offenses alleged in Counts Five through Sixteen of this
12 Indictment, defendant DAVID RYAN BURCHARD shall forfeit to the United States pursuant to Title
13 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offense, or
14 any property traceable to such property, including, but not limited to:

- 15 a. 2013 Mercedes C250, VIN Number WDDGF4HB1DR241728, California License
- 16 number 7FAD065;
- 17 b. 2009 Mercedes S63, VIN Number WDDNG77X59A246729, California License
- 18 number 7CIR676;
- 19 c. 2010 Jaguar XJ, VIN Number SAJWA1CB3ALV00102, California License
- 20 number 7EAV409; and
- 21 d. 2007 Chevrolet Tahoe, VIN Number 1GNFC13027J406800, California License
- 22 number 6BOK924.
- 23 e. A sum of money equal to the total amount of proceeds obtained as a result of the
- 24 offenses, for which defendant is convicted.

25 27. Upon conviction of the offense alleged in County 17 of this Indictment, defendant
26 DAVID RYAN BURCHARD shall forfeit to the United States pursuant to Title 31, United States Code,
27 Section 5317(c)(1), all property, real or personal, involved in the offense and any property traceable
28 thereto, including but not limited to:

- a. 2013 Mercedes C250, VIN Number WDDGF4HB1DR241728, California License number 7FAD065;
- b. 2009 Mercedes S63, VIN Number WDDNG77X59A246729, California License number 7CIR676;
- c. 2010 Jaguar XJ, VIN Number SAJWA1CB3ALV00102, California License number 7EAV409; and
- d. 2007 Chevrolet Tahoe, VIN Number 1GNFC13027J406800, California License number 6BOK924.
- e. A sum of money equal to the total amount of proceeds obtained as a result of the offenses, for which defendant is convicted.

28. If any property subject to forfeiture, as a result of the offenses alleged in Counts One through Seventeen of this Indictment, for which defendant is convicted:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of defendant, up to the value of the property subject to forfeiture.

A TRUE BILL.

/s/ Signature on file w/AUSA

FOREPERSON

BENJAMIN B. WAGNER
United States Attorney

By: **KIRK E. SHERRIFF**

KIRK E. SHERRIFF
Assistant United States Attorney
Chief, Fresno Division