



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

TODD P. GRAVES

Contact Don Ledford, Public Affairs • (816) 426-4220 • 400 East Ninth Street, Room 5510 • Kansas City, MO 64106

www.usdoj.gov/usao/mow

SEPTEMBER 16, 2003
FOR IMMEDIATE RELEASE

OKLAHOMA MAN INDICTED FOR BANK FRAUD

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that an Oklahoma man was indicted by a federal grand jury today in a bank fraud that involved counterfeit checks drawn on the account of Goodyear Tire & Rubber Company.

Karl Edwin Smith, 47, of Pryor, Okla., was charged in a five-count indictment returned by a federal grand jury in Kansas City.

Count One of the federal indictment alleges that **Smith** executed a scheme to defraud Bank of America by generating counterfeit checks on a personal computer, which he presented for deposit at Bank of America.

According to the indictment, **Smith** was an employee at a Goodyear Tire and Rubber Company outlet in Kansas City, Mo., until November 1999. From March 14, 2002, to May 23, 2002, the indictment alleges, **Smith** created counterfeit Goodyear checks and deposited them into his account at Bank of America, which was under the business name of Bear Distributing.

Count Two of the federal indictment alleges that **Smith**, on 17 separate occasions during the time frame of the scheme to defraud, created, uttered or was in possession of a counterfeit security – that is, counterfeit checks for \$2,500 each, drawn on the account of Goodyear Tire & Rubber Company.

Count Three of the federal indictment alleges that **Smith** attempted to launder the proceeds of the bank fraud alleged in Count One by purchasing a \$30,000 cashier's check from the proceeds of his alleged scheme to defraud on May 28, 2002.

Counts Four and Five of the federal indictment are forfeiture counts that would require

Smith to forfeit to the United States any property used to make counterfeit securities and any personal property gained from the alleged bank fraud, including computer equipment, a 1994 Honda motorcycle and a \$30,000 cashier's check.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

The case is being prosecuted by Assistant U.S. Attorney John E. Cowles. It was investigated by the U.S. Secret Service Financial Crimes Task Force.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow