



This Month at the WFO

A newsletter from the FBI Washington Field Office

Issue 49 – May 2013

Eleven Plead Guilty to Fraud Charges Related to Annandale Business

Between April and May 2013, eleven defendants have pled guilty to mortgage and wire fraud involving the owners, operators, employees, and affiliates of several real estate-related businesses located in Northern Virginia. Many of the defendants were involved in overlapping conspiracies and admitted that they would alter the terms of real estate settlements that had been approved by financial institutions. Specifically, they admitted that certain “overages” or illegitimate, inflated costs were added to the settlement paperwork, which caused the real estate lender to provide funds above and beyond what was actually approved to fund the transaction. The conspirators admitted they would provide the lenders, buyers, and sellers falsified real estate documents to mask these illegal “overages,” and kept the “overage” funds for themselves. In another part of the scheme, some of the defendants admitted to laundering the proceeds of cash businesses to avoid paying federal and state taxes. Other defendants admitted to misappropriating funds kept in real estate escrow accounts for their own personal use. These multiple, overlapping conspiracies resulted in millions of dollars of losses to financial institutions. Each defendant faces a maximum penalty of 20 years in prison for each count of wire fraud when they are sentenced later this summer.

Former Alexandria Doctor Receives 70 Months in Prison for Conspiring to Distribute Oxycodone

Larren Wade, a former doctor who had a medical practice in Alexandria, Va., was sentenced to 70 months in prison, followed by three years of supervised release, for conspiring to distribute oxycodone. Wade admitted that between March and July 2010, he issued thousands of prescriptions for pain medications, sometimes exceeding 2,000 pills per patient each month. Wade frequently issued these prescriptions without conducting a physical examination, without reviewing prior medical records, and without establishing a treatment plan. During this time, Wade also operated an almost strictly cash business and would typically see between 30 and 50 patients per day, but in at least one instance saw more than 100 patients in a single day and collected nearly \$10,000 in cash. Wade was the subject of an undercover operation when he issued numerous prescriptions for oxycodone to two undercover officers for no legitimate medical purpose. This case is part of an [Organized Crime and Drug Enforcement Task Force](#) investigation that includes the WFO, DEA, Virginia State Police and the Alexandria Police Department.



Wounded Warriors Visit WFO

Late last month, WFO hosted Wounded Warriors and their family members from the Yellow Ribbon Fund. In support of these service members, WFO expressed their pride and appreciation for their dedication and service by inviting them to tour WFO’s Command and Tactical Operations Center and hear from WFO’s ADIC, Valerie Parlave; the FBI’s Wounded Warrior Internship Program coordinator, William McNeill; and current wounded warrior interns working at WFO. The FBI’s [Wounded Warrior Internship Program \(WWIP\)](#) provides an opportunity to identify and assess future FBI employees from a pool of highly qualified veterans.

Former CEO of London-Based Company Pleads Guilty to \$2.1 Million Fraud Scheme

This month, Kevin Halligen pled guilty to wire fraud stemming from a scheme in which he defrauded \$2.1 million from a Netherlands-based commodities trading company. Halligen was the CEO of Red Defence International (RDI) and was hired by Trafigura Beheer BV (Trafigura) as a consultant in crisis management after two Trafigura executives were captured and imprisoned in the Ivory Coast. Under that consulting contract, RDI was to provide security intelligence and public relations services related to Trafigura’s presence in the Ivory Coast and to assist with facilitating the release of the Trafigura executives. During November 2006, after efforts to secure the executives’ release proved unsuccessful, Halligen suggested a new strategy which would cost an additional \$2.1 million, on top of the money RDI was already receiving. In his plea, Halligen admitted that none of the proceeds from the \$2.1 million payment to RDI were directed toward expenses related to the newly proposed strategy; instead, Halligen admitted that he spent the money on a home in Great Falls, Va., and other personal expenses. Trafigura executives were ultimately released in February 2007. [Read more](#)

FBI Washington Field Office

601 4th Street, N.W., Washington, D.C. 20535

Web: washingtondc.fbi.gov

Twitter: [@FBIWFO](https://twitter.com/FBIWFO)

(202) 278-2000