



# Department of Justice

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## **FEDERAL COURT GRANTS TEMPORARY RESTRAINING ORDER AGAINST OPERATORS OF “GET-RICH-QUICK” SCHEME**

### *The Mass Mail Fraud Scheme Targeted Seniors and Swindled Victims Nationwide*

CHARLOTTE, N.C. – U.S. District Court Judge Robert J. Conrad Jr. entered a Temporary Restraining Order (TRO) today against three Florida residents and three companies, to stop them from further operation of a predatory mass mailing scheme and from continuing to violate the criminal mail fraud statute.

According to the civil complaint filed on April 5, 2021, Keivy Chavez a/k/a Kamilo Correa, Jhon F. Palacio a/k/a Richard Diamond, Sr., and John Doe a/k/a Tom Jowarski, through several fictitious business entities including KC Promotions a/k/a Miracle Profits, TJ Ads and CS Enterprises, allegedly engaged in an ongoing chain letter mass mailing fraud scheme that has targeted thousands of victims across the United States, especially the elderly. The complaint also alleges that the defendants’ efforts have resulted in significant financial harm to their victims.

According to the complaint, the defendants allegedly made material misrepresentations and fraudulent statements through deceptive mass mailings in the form of chain letters and Internet advertisements, to induce victims to enroll in one or more of their fictitious “money-making” programs, including the “Cash and Gold Tycoon Program” and the “MAJOR BUX! HUGE BUZZ!! Money Making Program.” The complaint states that the defendants induced the victims by promising exponential profits in the form of cash, commission payments, gold coins and silver bars, among other things. The complaint also states that many victims relied on the defendants’ fraudulent misrepresentations and paid over \$1,000 each to enroll in the fraudulent programs, only to receive nothing in return. According to the complaint, since February 2021, the defendants have sent thousands of unlawful mass mailings, and during the same time frame the United States Postal Inspection Service (USPIS) has collected over 30 mailings, including enrollment applications and payments, addressed to KC Promotions, from victims residing in 18 states, including in North Carolina.

According to the filed complaint, USPIS has issued a [notice](#) alerting the public about these types of fraudulent schemes, warning consumers they could be committing a federal crime.

The TRO entered today by the U.S. District Court bars the defendants and their companies from continuing to engage in such predatory schemes to prevent further harm to potential victims.

In making today's announcement, Acting U.S. Attorney Stetzer commended Postal Inspectors with USPIS for conducting this investigation.

The enforcement action is handled by Assistant U.S. Attorneys Katherine Armstrong and James B. Gatehouse, of the U.S. Attorney's Office in Charlotte.

The claims made in the complaint are allegations that, if the case were to proceed to trial, the government must prove to receive a determination of liability.

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In March 2019, the U.S. Attorney's Office announced the Elder Justice Initiative, which aims to combat elder financial exploitation by expanding efforts to investigate and prosecute financial scams that target seniors; educate older adults on how to identify scams and avoid becoming victims of financial fraud; and promote greater coordination with law enforcement partners. For more information please visit:  
<https://www.justice.gov/usao-wdnc/elder-justice-initiative>

In addition to mass mail fraud schemes, other financial scams targeting seniors are:

- Lottery phone scams – in which the callers convince seniors that a large fee or taxes must be paid before they can receive lottery winnings.
- Grandparent scams – which convince seniors that their grandchildren are in trouble and need money to make rent, repair a car, or even money for bail.
- Romance scams – which lull victims to believe that their online paramour needs funds for a U.S. visit or some other purpose.
- IRS imposter scams – which defraud victims by posing as IRS agents and claiming that victims owe back taxes.
- Sham business opportunities – which convince victims to invest in lucrative business opportunities or investments.

To avoid falling victim to a financial scam:

- Don't share personal information with anyone you don't know.
- Don't pay a fee for a prize or lottery winning.
- Don't click on pop-up ads or messages.
- Delete phishing emails and ignore harassing phone calls.
- Don't send gift cards, checks, money orders, wire money, or give your bank account information to a stranger.
- Don't fall for a high-pressure sales pitch or a lucrative business deal.
- If a scammer approaches you, take the time to talk to a friend or family member.
- Keep in mind that if you send money once, you'll be a target for life.
- Remember, it's not rude to say, "NO."
- A good rule of thumb is, if it's too good to be true, it's likely a scam.

If you have been contacted by a scammer or believe you have fallen victim to a scam, please contact the Justice Department's Elder Fraud Hotline at 1-833-Fraud-11 (1-833-372-8311). The National Elder Fraud hotline was created for the public to report fraud against individuals who are age 60 or older. The hotline is open seven days a week. For more information about the hotline, please visit <https://stopelderfraud.ovc.ojp.gov/>.

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