

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA : **CRIMINAL NO.: 21-367**
v. : **DATE FILED:**
MICHAEL BARONE : **VIOLATIONS:**
: **18 U.S.C § 371 (conspiracy - 1 count)**
: **17 U.S.C. §§ 1201(a)(1)(A), 1204(a)(1)**
: **(circumvention of access control device – 1**
: **count)**
: **18 U.S.C. § 1029(a)(2), (c)(1)(a)(i) (access**
: **device fraud – 2 counts)**
: **18 U.S.C. § 1343 (wire fraud – 5 counts)**
: **18 U.S.C. § 2**
: **Notices of Forfeiture**

SUPERSEDING INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

INTRODUCTION AND BACKGROUND

At all times material to this superseding indictment:

1. Defendant MICHAEL BARONE was a resident of the Eastern District of New York.
2. Bill Omar Carrasquillo, a/k/a “Omar,” “Omi,” “Target,” and “Target1080p,” who is known to the grand jury and charged elsewhere, was a resident and owner of property in the Eastern District of Pennsylvania and the District of New Jersey.
3. Jesse Gonzales who is known to the grand jury and charged elsewhere, was a resident of the Central District of California.
4. Persons 1 through 3 are individuals whose identities are known to the grand jury. Foreign Company 1 and Foreign Company 2 are foreign companies whose identities

are known to the grand jury.

5. Comcast Corporation (“Comcast”) was a Video Content (defined below in Paragraph 10) and internet services provider, headquartered in the Eastern District of Pennsylvania. At certain times during the scheme, Comcast offered its Video Content through a subsidiary known as Xfinity. Comcast offered subscriptions to Video Content and internet services to its fee-paying subscribers. Much, but not all, of the Video Content offered by Comcast was protected by the Copyright Act, and Comcast was licensed to deliver the copyrighted Video Content to its subscribers. Customers who signed up to receive cable television service from Comcast were subject to terms of service which were provided to the customer and made available on Comcast’s website. Comcast’s terms of service provided that the service was to be used only for personal, residential, and non-commercial purposes. The terms of service expressly prohibited, among other things, reselling the Video Content in whole or in part.

6. Verizon Fios (“Verizon”) was a Video Content and internet services provider, headquartered in the Southern District of New York. Verizon offered subscriptions to Video Content and internet services to its fee-paying customers. Much, but not all, of the Video Content offered by Verizon was protected by the Copyright Act, and Verizon was licensed to deliver the copyrighted video content to its subscribers. Customers who signed up to receive cable television service from Verizon were subject to terms of service, which were provided to the customer and made available on Verizon’s website. Verizon’s terms of service provided that the services were only for private, non-commercial use, and expressly prohibited rebroadcast or transmission of the Video Content.

7. Charter Communications (“Charter”) was a Video Content and internet

services provider, headquartered in the District of Connecticut, and doing business as Spectrum. Charter offered subscriptions to Video Content and internet services to its fee-paying subscribers. Much, but not all, of the video content offered by Charter was protected by the Copyright Act, and Charter was licensed to deliver the copyrighted Video Content to its subscribers. Customers who signed up to receive cable television service from Charter were subject to terms of service, which were provided to the customer and made available on Charter's website. Charter's terms of service provided that Charter's services were for the subscriber's personal, non-commercial use. Charter's terms of service expressly prohibited transmission of Charter's Video Content to any person who was not a member or guest of the subscriber's household.

8. DirecTV was a Video Content provider, headquartered in the Central District of California. DirecTV offered subscriptions to Video Content to its fee-paying subscribers. Much, but not all, of the Video Content offered by DirecTV was protected by the Copyright Act, and DirecTV was licensed to deliver the copyrighted video content to its subscribers. Customers who signed up to receive cable television services from DirecTV were subject to terms of service which were provided to the customer and made available on DirecTV's website. DirecTV's terms of service provided that DirecTV service was provided to the subscriber solely for private, non-commercial use, enjoyment, and home viewing. The terms of service expressly prohibited, among other things, rebroadcasting, transmitting, or performing the Video Content.

9. Frontier Communications was a Video Content provider, headquartered in the District of Connecticut. Frontier offered subscriptions to Video Content to its fee-paying subscribers. Much, but not all, of the Video Content offered by Frontier was protected by the

Copyright Act, and Frontier was licensed to deliver the copyrighted video content to its subscribers. Customers who signed up to receive cable television services from Frontier were subject to terms of service which were provided to the customer and made available on Frontier's website. Frontier's terms of service provided that the Video Content could be used only for the subscriber's private non-commercial use and enjoyment, and expressly prohibited rebroadcasting or transmitting the Video Content.

10. Comcast, Verizon, Charter, DirecTV, and Frontier (collectively, the "Video Content Providers") acquired and curated their collections of Video Content—which is defined, for the purposes of this superseding indictment, as movies, television shows, and other audiovisual content—based on their particularized assessments of what their subscribers would find to be entertaining, useful, or otherwise appealing. The Video Content Providers compiled their collections of Video Content in a manner that made them easily accessible to their subscribers. The Video Content Providers also provided delivery mechanisms that allowed subscribers to access the Video Content in a variety of convenient manners and platforms.

11. Much, but not all, of the Video Content in the collections of the Video Content Providers was protected by copyright.

12. The Video Content Providers delivered their Video Content in encrypted format. In order for a subscriber to access Video Content, the respective Video Content Provider provided the subscriber with a set top box, access card, or other device, which removed the Video Content Provider's encryption from the Video Content and concurrently applied High-Bandwidth Digital Content Protection ("HDCP") to the Video Content.

13. HDCP was a technological measure that effectively controls access to works, including copyrighted works, and protects the rights of copyright owners. Specifically,

HDCP was a form of encryption designed to prevent copying of Video Content as it travels across digital interfaces, including between the equipment provided by the Video Content Provider and the television or other device used by a subscriber to view the content. Video Content protected by HDCP is only viewable on an HDCP-compliant device. In order for a device to be HDCP-compliant, the manufacturer of the device must have agreed to various conditions, including that the device was not designed to make copies.

14. High-Definition Multimedia Interface (“HDMI”) cables are often used to transmit Video Content across digital interfaces, including from a set top box to a television.

15. Video Content provided by the Video Content Providers could not have been copied without removing HDCP.

16. Foreign Company 2 was a provider of public and private cloud products, headquartered in Montreal, Canada.

17. DataCamp Ltd. operated a content delivery network, which was comprised of a geographically distributed group of servers that were designed to provide fast delivery of content over the internet. DataCamp was headquartered in the United Kingdom, and had data centers in the United States and other countries.

18. CDN77 was a global content delivery network offered by DataCamp Ltd.

19. A merchant processor was a company that handled electronic payment transactions on behalf of a merchant, allowing the merchant to accept payment by way of credit card, debit card, or other electronic payment. In general, a merchant processor relayed the payment information to the customer’s bank (known as the “issuing bank”) and the merchant’s bank (known as the “acquiring bank.”). The merchant processor confirmed from the customer’s bank that the payment information was valid. Upon confirmation that the payment information

was valid, the merchant processor arranged to have the necessary funds routed from the customer's bank to the merchant's bank, ultimately for the benefit of the merchant.

20. In order to obtain a merchant processing account, a merchant typically submitted an application to the merchant processor, which included information that allowed the merchant processor to assess whether the merchant presented a suitable risk profile. Among other factors, most merchant processors considered the nature of the merchant's business, the merchant's credit history, and the merchant's history of chargebacks, which is when a customer initiates a reversal of a payment.

21. Merchant processors aimed to minimize the risk of chargebacks because, under certain circumstances, such as when a chargeback is initiated after the merchant has become insolvent, the merchant processor may be financially liable to reimburse the customer.

22. Stripe was a technology company that offered software that, among other things, allowed merchants to accept payments from their customers. Stripe partnered with Wells Fargo Bank, N.A.—a financial institution insured by the Federal Deposit Insurance Corporation (“FDIC”)—to collect payments from customers and then distribute the proceeds into the merchant's bank account.

23. Bank of America Merchant Services (“BOAMS”) was a merchant processor that allowed merchants to accept payments from their customers. From in or about January 2019 through on or about June 2020, BOAMS was a joint venture between Bank of America and First Data (now Fiserv). BOAMS partnered with Bank of America, N.A.—an FDIC-insured institution—to collect payments from customers and then distribute the proceeds into the merchant's bank account.

24. Nuvei Technologies (“Nuvei”) was a technology company that offered

software that, among other things, allowed merchants to accept payments from their customers. Nuvei partnered with Wells Fargo Bank—an FDIC-insured institution—to collect payments from customers and then distribute the proceeds into the merchant’s bank account.

25. Worldpay was a merchant processor that allowed merchants to accept payments from their customers. Worldpay partnered with Fifth Third Bank—an FDIC-insured institution—to collect payments from customers and then distribute the proceeds into the merchant’s bank account.

26. Electronic Merchant Services (“EMS”) was a merchant processor that allowed merchants to accept payments from their customers. EMS partnered with a variety of FDIC-insured financial institutions, including BMO Harris Bank, N.A., Central Bank of St. Louis, Esquire Bank, Merrick Bank, and Chesapeake Bank Kilmarnock.

27. From at least in or about March 2016 to on or about November 20, 2019, in the Eastern District of Pennsylvania, the District of New Jersey, the Central District of California, and elsewhere, defendant

MICHAEL BARONE

conspired and agreed with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, to commit offenses against the United States, namely:

a. Copyright Infringement, that is, willfully, and for the purpose of commercial advantage and private financial gain, infringing a copyright by the reproduction of at least ten copies of one or more copyrighted works, namely motions pictures and other audiovisual works, without the authorization of the copyright holder, with a total retail value of more than \$2,500, during a 180-day period, in violation of Title 17, United States Code, Section 506(a)(1)(A), and Title 18, United States Code, Section 2319(b)(1);

b. Copyright Infringement, that is, willfully, and for purposes of commercial advantage and private financial gain, infringing copyrights in motion pictures and other audiovisual works, by streaming, that is, publicly performing the work over the internet, in violation of Title 17, United States Code, Section 506(a)(1)(A), and Title 18, United States Code, Section 2319(b)(3);

c. Circumvention of Access Controls, that is, willfully, and for the purpose of commercial advantage and private financial gain, circumventing a technological measure that effectively controls access to one or more works protected under Title 17 of the United States Code, namely, television shows and movies offered by the Video Content Providers, and others, in violation of Title 17, United States Code, Sections 1201(a)(1)(A), and 1204(a)(1);

d. Access Device Fraud, that is, knowingly and with intent to defraud, using unauthorized access devices including account numbers, access card numbers, serial numbers, receiver ID numbers, media access control (“MAC”) addresses, and equipment (collectively, “Access Devices”), and by such conduct, which affected interstate and foreign commerce, obtaining property and services valued at \$1,000 or more, in violation of Title 18, United States Code, Sections 1029(a)(2) and (c)(1)(a)(i); and

e. Wire Fraud, that is, devising and intending to devise, a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and transmitting and causing certain wire communications to be transmitted in interstate and foreign commerce, for the purpose of executing the scheme and artifice, in violation of Title 18, United States Code, Section 1343.

MANNER AND MEANS

It was part of the conspiracy that:

28. For more than three years, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzalez, Person 1, and others, known and unknown to the grand jury, conspired to fraudulently obtain Video Content and subscriber fees from, and at the expense of, the Video Content Providers, and money and merchant processing accounts from the Merchant Processors (defined below in Paragraph 44).

29. During the period of time set forth above, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzalez, Person 1, as well as others, known and unknown to the grand jury, operated a Video Content delivery service, which was called at various times REBOOT, GEARS TV, RELOADED, and GEARS RELOADED (collectively, the “Infringing Service”). The Infringing Service delivered Video Content, including television shows and movies, to subscribers to the Infringing Service, in exchange for payment.

30. Along with the Infringing Service, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzalez, Person 1, and others, known and unknown to the grand jury, offered at various times to the subscribers to the Infringing Service a library, called “STREAMS R US” or “SRU,” of motion pictures and other Video Content that they had copied and/or caused to be copied.

31. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, obtained access to the Video Content, among other ways, by subscribing, and/or causing others to subscribe, to residential cable television and video services from Video Content Providers including Comcast,

Verizon, Charter, DirecTV, and Frontier.

32. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, caused the Video Content Providers to provide them with numerous Access Devices, including set top boxes, which allowed the defendant to access Video Content offered by the Video Content Providers.

33. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, obtained, and/or caused to be obtained, and set up the Access Devices in a variety of locations. They elected to place the Access Devices in at least seven different homes in Philadelphia, Pennsylvania, as well as, at various times during the conspiracy, in other places including California and New York.

34. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, imported, or caused to be imported, from China, encoders that were designed to strip HDCP from the Video Content of multiple Access Devices at a time, which allowed the Video Content to be transmitted over the internet and copied to computer servers operated and/or controlled by the conspirators.

35. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, did not use the Access Devices to view the Video Content for their own personal use. Instead, the conspirators caused each Access Device to be tuned to a particular channel and then connected to an encoder that stripped HDCP from the Video Content. The conspirators then caused the unencrypted Video Content to be transmitted to dedicated servers, including DataCamp Ltd. servers, paid for by the conspirators, which DataCamp Ltd. servers were located in the United States, where the Video Content was made available to subscribers of the Infringing Service. The conspirators also

caused the unencrypted Video Content to be transferred to dedicated servers at Foreign Company 2, paid for by the conspirators, where the Video Content was stored, and made available, in an “on-demand” format, for a period of approximately 24 to 48 hours to subscribers of the Infringing Service.

36. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, established websites, including gearservers.com, gearservers.net, omarsvideos.com, omarsvideos2.com, hostingbros.net, gearsiptvnow.com, targetcreates.com, mayfairguides.com, mayfairguides.net, and reloadedview.com, which allowed subscribers to access the Infringing Service and related software, among other things, to subscribe to the Infringing Service, access the Video Content, and submit inquiries and requests (which were known as “tickets”).

37. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and the other conspirators did not at any point seek or obtain authorization from the copyright holders or licensees to transmit, copy, or stream the Video Content.

38. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and the other conspirators did not at any point disclose to the Video Content Providers that, in signing up for residential services at multiple locations, they intended to copy, transmit, and stream the Video Content to thousands of their own subscribers.

39. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, publicized the Infringing Service by way of producing videos that were posted to a YouTube channel called “TARGETIN1080P.”

40. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, advertised and administered the Infringing Service, among other ways, by interacting with each other and the subscribers to the Infringing Service via social media platforms including Facebook, Instagram, Discord, and Google Hangouts.

41. Person 1, and others, known and unknown to the grand jury, developed software which served as a subscriber interface, akin to a TV Guide, permitting users to see a listing of particular programming and select particular programming for viewing.

42. Bill Omar Carrasquillo, Person 1, and others, known and unknown to the grand jury, caused software described in Paragraph 41 to be incorporated into the Infringing Service.

43. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, collected from subscribers to the Infringing Service more than \$30 million in subscriber fees.

44. In order to accept those subscriber fees, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, and others, known and unknown to the grand jury, applied for and, in some cases, obtained merchant processing accounts at Stripe, BOAMS, EMS, Nuvei, and World Pay, among others (collectively, the "Merchant Processors"). In order to conceal the true nature of the Infringing Service, defendant BARONE, Carrasquillo, Gonzales, and others, known and unknown to the grand jury, falsely described, and caused to be falsely described, the nature of the Infringing Service, and the identity of its owners, on applications to the Merchant Processors and, in some instances, their FDIC-insured partnering banks, including Wells Fargo Bank, N.A., Bank of America, N.A, Esquire Bank, and BMO

Harris Bank, N.A.

45. In support of their applications for merchant processing services, Bill Omar Carrasquillo, Jesse Gonzales, and others, known and unknown to the grand jury, also submitted fraudulent documents, including false and unfiled Form 1040 tax returns for Carrasquillo for tax years 2016 and 2017, a false Form Schedule C for Gonzales for tax year 2018, and a fraudulent “Business Portfolio Purchase Agreement” that purported to show that, as of June 3, 2019 at 3:00PM, Gonzales had sold a business that “provid[ed] an online customer base with web hosting capabilities” to Carrasquillo in exchange for a \$3,000,000 payment and twenty-four monthly payments of \$50,000.

46. Defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, misrepresented, concealed, and hid, caused to be misrepresented, concealed and hidden, and attempted to misrepresent, conceal and hide the actions done in furtherance of the conspiracy.

OVERT ACTS

In furtherance of the conspiracy and to accomplish its objects, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, and others known and unknown to the grand jury, committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

ESTABLISHING SHELL CORPORATIONS

1. On or about September 13, 2016, Bill Omar Carrasquillo caused to be incorporated Hosting bros Inc. with the Pennsylvania Department of State.
2. On or about September 4, 2018, Person 2 caused Reloaded LLC to be registered with the Pennsylvania Department of State.

3. On or about April 12, 2019, Bill Omar Carrasquillo caused Gears Reloaded LLC to be registered with the Pennsylvania Department of State.

OBTAINING VIDEO CONTENT

4. On or about June 7, 2016, Bill Omar Carrasquillo opened Comcast account number x0198, in order to receive Video Content provided by Comcast at 3412 N. Hope Street, Philadelphia, PA.

5. On or about July 27, 2016, Bill Omar Carrasquillo opened DirecTV account number x0509 in order to receive Video Content provided by DirecTV at 3412 N. Hope Street, Philadelphia, PA.

6. On or about June 15, 2016, Bill Omar Carrasquillo caused to be opened Verizon account number x0001, in order to receive Verizon Video Content at 3412 N. Hope Street, Philadelphia, PA.

7. On or about January 27, 2017, defendant MICHAEL BARONE caused Verizon to issue him multiple additional Access Devices on his previously opened Verizon account (account number x6466), in order to receive Verizon Video Content at 9435 86th Avenue, Floor 2, Woodhaven, New York.

8. On or about April 22, 2017, Jesse Gonzales opened Spectrum (Charter) Account number x4554 in order to receive Spectrum Video Content at 9748 Terradell Street, Pico Rivera, California.

9. On or about April 22, 2017, defendant MICHAEL BARONE and Jesse Gonzales engaged in a discussion about how to set up Access Devices and encoders at Gonzales's house.

10. On or about March 9, 2019, Jesse Gonzales and Person 3 caused Frontier

Account number x9195 to be opened in order to receive Frontier Video Content at 11711 Ringwood Avenue, Norwalk, California.

OBTAINING DEVICES TO CIRCUMVENT HDCP

11. On or about July 1, 2016, Bill Omar Carrasquillo caused a wire transfer in the amount of \$1,570 from a Wells Fargo Bank account that he controlled to Foreign Company 1, known to the grand jury.

12. On or about April 14, 2017, Bill Omar Carrasquillo and Jesse Gonzales caused a wire transfer in the amount of \$6,420 to Foreign Company 1, as payment for two 16-port encoders and one 8-port HDMI encoder.

13. On or about January 7, 2019, Bill Omar Carrasquillo and Jesse Gonzales caused a wire transfer of \$9,890 to Foreign Company 1, as payment for five 16-port HDMI encoders.

14. Between in or about July 2016 through in or about August 2018, Carrasquillo and Gonzales caused HDMI encoders to be imported into, among other places, the Eastern District of Pennsylvania, and the Central District of California, each such importation constituting a separate overt act.

DISTRIBUTING CONTENT TO SUBSCRIBERS OF THE INFRINGING SERVICE

15. On or about September 19, 2016, defendant MICHAEL BARONE communicated with Person 1 about having Person 1 provide services to the Infringing Service.

16. On or about October 6, 2016, Bill Omar Carrasquillo caused to be opened an account with Foreign Company 2 bearing the customer identification number rj314535-ovh.

17. On or about November 7, 2016, Bill Omar Carrasquillo caused a payment of \$3,426 to be made to Foreign Company 2.

18. On or about January 19, 2017, Bill Omar Carrasquillo caused a payment of \$1,129 to be made to Foreign Company 2.

19. On or about May 11, 2017, Bill Omar Carrasquillo caused to be opened an account with Foreign Company 2 bearing the customer identification number jt303047-ovh.

20. On or about September 13, 2017, Bill Omar Carrasquillo caused to be opened a customer account with CDN77.

21. On or about March 3, 2018, Bill Omar Carrasquillo caused a payment of \$952.90 to be made to Foreign Company 2.

22. Between at least August 2016 and November 20, 2019, defendant MICHAEL BARONE, together with Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others known and unknown to the grand jury, caused Video Content to be transmitted to subscribers of the Infringing Service, each such transmission constituting a separate Overt Act.

ADVERTISING THE SCHEME

23. On or about February 5, 2016, Bill Omar Carrasquillo started a YouTube channel entitled TARGETin1080p.

24. On or about March 13, 2018, Bill Omar Carrasquillo caused a video to be posted to the YouTube channel, in which he discussed the Infringing Service.

25. On or about May 24, 2018, Bill Omar Carrasquillo caused a video called “Reloaded TV Live Show” to be posted to the YouTube channel.

26. On or about May 26, 2018, Bill Omar Carrasquillo caused a video called “TARGETin1080p LIVE SHOW 5_26_18,” which featured Carrasquillo and defendant MICHAEL BARONE, to be posted to the YouTube channel.

27. On or about September 23, 2018, Bill Omar Carrasquillo caused a video to

be posted to the YouTube channel, in which he discussed the Infringing Service.

28. On or about January 29, 2019, Bill Omar Carrasquillo caused a video called "The Best IPTV Service 2019 Gears Reloaded" to be posted to the YouTube Channel.

29. On or about May 26, 2019, Bill Omar Carrasquillo and Jesse Gonzales caused a video called "How to Order Gears Reloaded" to be posted to the YouTube channel.

DISTRIBUTING THE PROFITS

30. On or about April 24, 2017, Bill Omar Carrasquillo caused \$2,000 to be transferred to defendant MICHAEL BARONE.

31. On or about April 24, 2017, Bill Omar Carrasquillo caused \$1,450 to be transferred to Jesse Gonzales.

32. On or about May 31, 2017, Bill Omar Carrasquillo caused \$1,000 to be transferred to defendant MICHAEL BARONE.

33. On or about August 3, 2017, Bill Omar Carrasquillo caused \$2,740.80 to be transferred to Person 1.

34. On or about December 21, 2017, Bill Omar Carrasquillo caused \$2,000 to be transferred to Jesse Gonzales.

35. On or about February 16, 2018, Bill Omar Carrasquillo caused \$2,000 to be transferred to Jesse Gonzales.

36. On or about March 14, 2018, Bill Omar Carrasquillo caused \$2,000 to be transferred to defendant MICHAEL BARONE.

37. On or about April 30, 2018, Bill Omar Carrasquillo caused \$2,000 to be transferred to defendant MICHAEL BARONE.

38. On or about May 3, 2018, Bill Omar Carrasquillo caused \$17,680 to be

transferred to Person 1.

39. On or about May 4, 2018, Bill Omar Carrasquillo caused \$1,000 to be transferred to defendant MICHAEL BARONE.

40. On or about June 7, 2018, Jesse Gonzales caused \$2,000 to be transferred to defendant MICHAEL BARONE.

41. On or about June 7, 2018, Jesse Gonzales caused \$21,298 to be transferred to Person 1.

42. On or about July 5, 2018, Bill Omar Carrasquillo caused \$2,000 to be transferred to defendant MICHAEL BARONE.

43. On or about August 16, 2018, Jesse Gonzales caused \$208,344.98 to be transferred to Bill Omar Carrasquillo.

CONCEALING THE SCHEME

44. In or about July or August 2019, Bill Omar Carrasquillo, and others, known and unknown to the grand jury, deleted or removed from public access YouTube videos featuring Carrasquillo discussing the Infringing Service.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations set forth in Paragraphs 1 through 26, 28 through 46, and Overt Acts 1 through 44 of Count One are incorporated by reference.

2. From at least in or about March 2016 to at least on or about November 20, 2019, in the Eastern District of Pennsylvania and elsewhere, defendant

MICHAEL BARONE,

Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, did willfully, and for the purpose of commercial advantage and private financial gain, circumvent and attempt to circumvent a technological measure that effectively controls access to one or more works protected under Title 17 of the United States Code, namely, audiovisual television and movie programming offered by the Video Content Providers, and others.

All in violation of Title 17, United States Code, Sections 1201(a)(1)(A), 1204(a)(1), and Title 18, United States Code, Section 2.

COUNTS THREE AND FOUR

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations set forth in Paragraphs 1 through 26, 28 through 46, the definition of “Access Device” set forth in Paragraph 27(d), and Overt Acts 1 through 44 of Count One are incorporated by reference.

2. During the one-year, or shorter, time periods described below, in the Eastern District of Pennsylvania, the Central District of California, the Southern District of New York, and elsewhere, defendant

MICHAEL BARONE,

Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, knowingly and with intent to defraud, used, and caused to be used, unauthorized Access Devices, and by such conduct, which affected interstate and foreign commerce, obtained property and services valued at \$1,000 or more.

<u>Count</u>	<u>Beginning Date</u>	<u>Ending Date</u>
3	June 6, 2016	June 5, 2017
4	June 6, 2017	June 5, 2018

All in violation of Title 18, United States Code, Sections 1029(a)(2) and (c)(1)(a)(i) and 2.

COUNTS FIVE THROUGH NINE

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations set forth in Paragraphs 1 through 26, 28 through 46, and Overt Acts 1 through 44 of Count One are incorporated by reference.

2. From at least in or about March 2016 to at least in or about November 2019, in the Eastern District of Pennsylvania and elsewhere, defendant

MICHAEL BARONE,

Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, devised and intended to devise a scheme to defraud the Merchant Processors and the Video Content Providers, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

It was part of the scheme that:

3. On or about each of the dates set forth below, in the Eastern District of Pennsylvania, and elsewhere, defendant

MICHAEL BARONE,

Bill Omar Carrasquillo, Jesse Gonzales, Person 1, and others, known and unknown to the grand jury, for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

<u>Count</u>	<u>Date</u>	<u>Start Point</u>	<u>End Point</u>	<u>Description</u>
5	September 21, 2016	Philadelphia, PA	Utah	Web Login to PayPal to make payments of \$129 and \$34.32 to GoDaddy.com, LLC
6	January 9, 2017	Philadelphia, PA	Utah	Web Login to PayPal to make payment of \$119 to Foreign Company 2
7	March 14, 2018	Philadelphia, PA	Servers outside of Pennsylvania	Payment of \$2,000 from Bill Omar Carrasquillo to defendant MICHAEL BARONE
8	May 4, 2018	Philadelphia, PA	Servers outside of Pennsylvania	Payment of \$1,000 from Bill Omar Carrasquillo to defendant MICHAEL BARONE
9	July 5, 2018	Philadelphia, PA	Servers outside of Pennsylvania	Payment of \$2,000 from Bill Omar Carrasquillo to defendant MICHAEL BARONE

All in violation of Title 18, United States Code, Section 1343.

NOTICE OF FORFEITURE NO. 1

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 371, and 1343, set forth in this superseding indictment, defendant

MICHAEL BARONE

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such violations.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (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 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

NOTICE OF FORFEITURE NO. 2

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 371, and 1029(a)(2), (c)(1)(a)(i), set forth in this superseding indictment, defendant

MICHAEL BARONE

shall forfeit to the United States any property constituting, or derived from, proceeds obtained directly or indirectly, as a result of such violations and any personal property used or intended to be used to commit such violations.

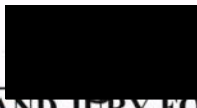
2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (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 18, United States Code, Sections 982(b) and 1029(c)(2), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Sections 982(a)(2)(B) and
1029(c)(1)(C).

A TRUE BILL:



GRAND JURY FOREPERSON



JENNIFER ARBITTIER WILLIAMS
United States Attorney

No. 21-cr-367

UNITED STATES DISTRICT COURT

Eastern District of Pennsylvania
Criminal Division

SUPERSEDING INDICTMENT

THE UNITED STATES OF AMERICA

vs.

MICHAEL BARONE

18 U.S.C § 371 (conspiracy - 1 count), 17 U.S.C. §§ 1201(a)(1)(A), 1204(a)(1), (circumvention of access control device – 1 count); 18 U.S.C. § 1029(a)(2), (c)(1)(a)(i) (access device fraud – 2 counts); 18 U.S.C. § 1343 (wire fraud – 5 counts); 18 U.S.C. § 2; Notices of Forfeiture

A true bill

Forfeiture

Filed in open court this _____ A.D. 20 _____ day,
Of _____

Clerk

Bail, \$ _____