

Department of Justice

U.S. Attorney's Office

District of Maryland

FOR IMMEDIATE RELEASE

Thursday, May 12, 2022

**Baltimore Man Facing Federal Charges for Bank Fraud,
Aggravated Identity Theft, and Access Device Fraud in
Relation to an Alleged Counterfeit Card Encoding Scheme**

**Indictment Alleges the Defendant Used the Re-encoded Gift Cards to Sell Fuel
to Truck Drivers in Exchange for Cash at Half-Price**

Baltimore, Maryland – A federal grand jury has returned an indictment charging Leroy Holmes, age 61, of Baltimore, Maryland, for the federal charges of bank fraud, identity theft, and access device fraud in connection with a scheme to re-encode gift cards with the stolen financial information of multiple victims, then use the cards to purchase fuel for truckers at half price, in exchange for cash. The indictment was returned on May 10, 2022.

The indictment was announced by United States Attorney for the District of Maryland Erik L. Barron; Acting Special Agent in Charge Selwyn Smith of Homeland Security Investigations (HSI) Baltimore; Acting Postal Inspector in Charge Greg L. Torbenson of the U.S. Postal Inspection Service - Washington Division; Special Agent in Charge Bo Keane of the United States Secret Service - Baltimore Field Office; Acting Special Agent in Charge Troy Springer, of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General; Chief Melissa R. Hyatt of the Baltimore County Police Department; and Anne Arundel County Police Chief Amal E. Awad.

According to the seven-count indictment, from October 2019 to March 2022, Holmes allegedly defrauded financial institutions by creating and using credit and debit card information encoded on gift cards to make fraudulent purchases without authority from cardholders or financial institutions. Holmes allegedly re-encoded gift cards to charge as credit and debit cards using the real banking information of victims at gas stations where he sold gas to truck drivers for half price.

As alleged in the indictment, some of the counterfeited credit and debit cards created and used by Holmes contained unemployment insurance benefits provided to victims from the state of California and were used without each victim's knowledge or permission. According to the indictment, Holmes used, created, or possessed at least 594 counterfeit credit and debit cards, resulting in a loss of at least \$170,000.

If convicted, Holmes faces a maximum sentence of 20 years in federal prison for bank fraud, 15 years in federal prison for access device fraud, and two years in federal prison consecutive to any other sentence imposed for aggravated identity theft. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

United States Attorney Erik L. Barron commended HSI, USPIS, the Secret Service, the Department of Labor-OIG, the Baltimore County Police Department, and the Anne Arundel County Police Department for their work in the investigation. Mr. Barron thanked Assistant U.S. Attorney Zachary Ray, who is prosecuting the federal case.

For more information on the Maryland U.S. Attorney's Office, its priorities, and resources available to help the community, please visit <https://www.justice.gov/usao-md> and <https://www.justice.gov/usao-md/community-outreach>. For more information about resources available to report fraud, please visit <https://www.justice.gov/usao-md/report-fraud>.

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Topic(s):
Financial Fraud

Component(s):
[USAO - Maryland](#)

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