

UNITED STATES DISTRICT COURT
 EASTERN DISTRICT OF WISCONSIN
 U.S. DISTRICT COURT
 EASTERN DISTRICT-WI
 FILED

UNITED STATES OF AMERICA,

Plaintiff,

v.

SUSAN D. TATRO,

Defendant.

2012 MAY -8 P 3:34
 Case No. 12-cr-00097
 JOHN A. SANFILIPPO
 CLERK
 [18 U.S.C. § 1343] -
 Green Bay Division
 2 - CR 97

INDICTMENT

THE GRAND JURY CHARGES:

1. Beginning at least by January 2006, and continuing thereafter until January 2011, in the State and Eastern District of Wisconsin and elsewhere,

SUSAN D. TATRO,

having devised a scheme to defraud her employer, Waukesha Bearings Corporation ("WBC"), and to obtain money from WBC by means of materially false and fraudulent pretenses, representations, and concealments (the "scheme"), did knowingly cause wire communications to be transmitted in interstate commerce for the purpose of executing her scheme.

2. At all times material to this indictment:

(a) WBC and its parent company, Dover Industrial Products Group ("Dover"), manufactured and sold turbomachinery-related products through their foreign and domestic facilities. WBC maintained its headquarters in Pewaukee and an office and factory in Antigo, all located in the State and Eastern District of Wisconsin.

(b) Susan Tatro was employed at WBC Antigo as the company's human resources manager.

(c) WBC Antigo maintained a "Petty Cash Account" at CoVantage Credit Union ("CoVantage"). WBC Antigo gave Tatro authority to administer the Petty Cash Account for legitimate business purposes, including the authority to make deposits and write checks.

(d) CoVantage was headquartered in Antigo and had multiple locations throughout northern Wisconsin. To receive the funds from drawee banks on checks deposited into WBC's Petty Cash Account, CoVantage maintained an account and a correspondent banking relationship with Wisconsin-based Associated Bank. When CoVantage sent electronic copies of the deposited checks to Associated Bank, Associated engaged in interstate wire communications to transfer the funds to WBC's Petty Cash Account from the drawee banks.

(e) Wisconsin businesses Reliable Recycling ("Reliable") and Alter Metal Recycling ("AMR") regularly paid WBC Antigo by check for materials they purchased from WBC Antigo. Reliable's checking account was held at the Business Bank and AMR's checking account was held at U.S. Bank.

(f) To receive funds, pay vendors, and fund monetary requests from its various plants and locations for legitimate business expenses, Dover and WBC utilized bank accounts at Bank of America ("BoA") in the States of Maine and California, and at JP Morgan Chase & Company ("JP Morgan") in the State of New York. When WBC Pewaukee made payments to WBC Antigo by check and wire transfer, those payments were funded through a series of interstate wire communications with and between these BoA and JP Morgan accounts.

The Scheme

3. Using her position at WBC, Tatro's scheme to defraud WBC and to obtain money from WBC by means of materially false and fraudulent pretenses, representations, and concealments centered around her administration and control of WBC's Petty Cash Account and was essentially as follows:

(a) When Reliable and AMR paid WBC Antigo by check, Tatro secretly deposited many of the checks into WBC's Petty Cash Account which she controlled. Without WBC's knowledge or authorization, Tatro used the diverted funds to write checks to herself from the Petty Cash Account, which she then cashed, intending to use the money for unauthorized and personal expenses.

(b) When WBC Antigo needed funds from WBC Pewaukee for legitimate business expenses, WBC Pewaukee required a "Request For Check" form which listed the purpose, the requested amount, and the officials making and approving the request. Tatro secretly manipulated this program by sending fraudulent Request For Check forms which WBC Pewaukee unwittingly funded in two ways: (1) by sending checks to Tatro written on the BoA account and payable to WBC's Petty Cash Account, which Tatro cashed without depositing; and (2) by electronic funds transfer from the BoA account into WBC's Petty Cash Account, which Tatro accessed by writing checks to herself and cashing them. Tatro intended to use these fraudulently obtained funds for unauthorized and personal expenses.

4. Tatro fraudulently endorsed the back of the Reliable and AMR checks that she diverted and deposited into WBC's Petty Cash Account by signing "Sue Tatro, Waukesha Bearings," to make it appear that she was depositing the checks for legitimate business purposes.

5. Tatro repeatedly made false "memo" entries on the checks that she wrote to herself

from WBC's Petty Cash Account to make it appear that they were written for legitimate business expenses, and she concealed and attempted to conceal her unlawful activity by creating false monthly balance statements for the Petty Cash Account dating back to at least December 2006.

6. When Tatro submitted fraudulent Request for Check forms to WBC Pewaukee for purportedly legitimate business expenses, she falsely typed the information on the form, including the reason for payment and the name of another WBC Antigo official, to make it appear that the expenses were properly requested and approved.

7. To avoid suspicion and in an attempt to conceal her unlawful activity, Tatro traveled to different CoVantage branches and tellers when making fraudulent deposits into the Petty Cash Account and when cashing fraudulent checks that she wrote to herself on the account. She also attempted to conceal her unlawful activity and the source of the unlawfully obtained funds by depositing at least some of the funds into her personal account at CoVantage.

8. As a result of her scheme, Tatro fraudulently obtained more than \$576,000 from WBC and Dover, which she used and intended to use for unauthorized and personal expenses.

COUNTS 1-10**THE GRAND JURY FURTHER CHARGES:****Wire Fraud--Executions of the Scheme**

9. On or about the following dates and in the amounts indicated, in the State and Eastern District of Wisconsin and elsewhere,

SUSAN D. TATRO,

for the purpose of carrying out her scheme and attempting to do so, caused to be transmitted in interstate commerce wire communications between Associated Bank in Wisconsin, the Federal Reserve Bank in Chicago, Illinois, and the Business Bank in Wisconsin, to receive payment on the indicated Reliable Recycling checks which Tatro fraudulently deposited into WBC's Petty Cash Account, and which Tatro used to fund her scheme:

Count	Date	Amount of wire transfer (and corresponding check # from Reliable's account at the Business Bank)
1	8/19/09	\$4,704.18 (#3503)
2	9/16/09	\$8,080.49 (#3900)
3	11/30/09	\$7,594.83 (#4667)
4	1/25/10	\$14,089.19 (#5258)
5	2/24/10	\$13,757.08 (#5682)
6	3/18/10	\$8,048.93 (#5970)
7	4/22/10	\$9,822.51 (#6444)
8	5/18/10	\$14,283.42 (#6784)
9	6/18/10	\$18,414.78 (#7240)
10	7/21/10	\$12,949.93 (#7715)

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

COUNTS 11-15**THE GRAND JURY FURTHER CHARGES:****Wire Fraud--Executions of the Scheme**

10. On or about the following dates and in the amounts indicated, in the State and Eastern District of Wisconsin and elsewhere,

SUSAN D. TATRO,

for the purpose of carrying out her scheme and attempting to do so, caused to be transmitted in interstate commerce wire communications between Associated Bank in Wisconsin, and U.S. Bank's processing facility outside Wisconsin, to receive payment on the indicated Alter Metal Recycling checks which Tatro fraudulently deposited into WBC's Petty Cash Account, and which Tatro used to fund her scheme:

Count	Date	Amount of wire transfer (and corresponding check # from AMR's account at U.S. Bank)
11	8/16/10	\$12,262.53 (#25090525)
12	8/27/10	\$17,845.30 (#25092112)
13	11/17/10	\$13,333.56 (#25097798)
14	12/22/10	\$35,954.92 (#25100011)
15	1/21/11	\$18,533.04 (#25101337)

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

COUNTS 16-20**THE GRAND JURY FURTHER CHARGES:****Wire Fraud--Executions of the Scheme**

11. On or about the following dates and in the amounts indicated, in the State and Eastern District of Wisconsin and elsewhere,

SUSAN D. TATRO,

for the purpose of carrying out her scheme and attempting to do so, caused to be transmitted in interstate commerce wire communications between WBC Pewaukee in Wisconsin and its BoA account held outside Wisconsin, to issue and fund checks payable to WBC's Petty Cash Account based on Tatro's fraudulent business expense requests, and which Tatro used to fund her scheme:

Count	Date	Amount of wire transfer (and corresponding check # from WBC's BoA account)
16	2/14/08	\$1,000 (#293324)
17	3/5/08	\$1,008 (#293489)
18	11/13/08	\$1,000 (#296363)
19	11/24/08	\$2,000 (#296531)
20	12/11/08	\$1,000 (#296642)

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

COUNTS 21-30**THE GRAND JURY FURTHER CHARGES:****Wire Fraud--Executions of the Scheme**

12. On or about the following dates and in the amounts indicated, in the State and Eastern District of Wisconsin and elsewhere,

SUSAN D. TATRO,

for the purpose of carrying out her scheme and attempting to do so, caused to be transmitted in interstate commerce wire communications between WBC Pewaukee in Wisconsin and its BoA account held outside Wisconsin to transfer funds into WBC's Petty Cash Account based on Tatro's fraudulent business expense requests, and which Tatro used to fund her scheme:

Count	Date	Amount of wire transfer (and corresponding reference # from WBC's BoA account)
21	5/5/09	\$1,010 (#25013336)
22	6/26/09	\$3,153.89 (#25757102)
23	8/12/09	\$2,879 (#26435370)
24	10/2/09	\$1,010 (#27156313)
25	12/30/09	\$3,014 (#28335567)
26	2/18/10	\$1,433.94 (#28967234)
27	4/8/10	\$1,010 (#29608249)
28	4/13/10	\$3,621 (#29655734)
29	8/5/10	\$5,226 (#31077070)
30	8/17/10	\$3,268 (#31212131)

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

FORFEITURE NOTICE

1. Upon conviction of the offense(s) in violation of Title 18, United States Code, Section 1343, set forth in Counts 1-30 of this Indictment, the defendant shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense(s). The property to be forfeited includes a sum of money equal to the proceeds derived from the offense(s).

2. If any of the property described above, as a result of any act or omission by a defendant: cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third person; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be subdivided without difficulty, the United States of America shall be entitled to forfeiture of substitute property, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL:



FOREPERSON

Dated: 5-8-2012


JAMES L. SANTELLE
United States Attorney