

AO 91 (Rev. 11/11) Criminal Complaint

UNITED STATES DISTRICT COURT

for the

District of North Dakota

United States of America)

v.)

Steven Barros PINTO)

Case No. 3:18-mj-68

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of June 2015 - 2017 in the county of Grand Forks in the District of North Dakota, the defendant(s) violated:

Code Section

Offense Description

21 U.S.C. § 841(a)(1) and 846

21 U.S.C. § 841(a)(1), and 846 (Conspiracy to Possess with Intent to Distribute a Controlled Substance and to Distribute a Controlled Substance) - knowingly or intentionally manufacture, distribute, or dispense, or possess with intent to manufacture, distribute, or dispense, a controlled substance.

This criminal complaint is based on these facts:

See Attached Affidavit

Continued on the attached sheet.

Complainant's signature

Brian K. Black, Special Agent

Printed name and title

Sworn to before me and signed in my presence.

Date: 3/13/2018

Judge's signature

City and state: Grand Forks, ND Fargo, ND

Alice R. Senechal, U.S. Magistrate Judge

Printed name and title

AFFIDAVIT

Before the undersigned United States Magistrate Judge, Fargo, ND, the undersigned complainant, being duly sworn, states:

Count 1

21 U.S.C. § 841 (a) (1), and 846 - Conspiracy to Possess with Intent to Distribute a Controlled Substance and to Distribute a Controlled Substance

Complainant, as a Federal Agent of the Department of Homeland Security (DHS), Homeland Security Investigations (HSI), states the following as and for probable cause:

I, Brian Black, a Special Agent of the Department of Homeland Security, Homeland Security Investigations (HSI), being duly sworn, state as follows:

1. Your affiant is an investigative or law enforcement officer of the United States within the meaning of § 2510(7) of Title 18, United States Code, that is an officer of the United States who is empowered by law to conduct investigations of and to make arrests for offenses enumerated in § 2516 of Title 18, United States Code.

2. This affidavit is submitted in support of an application for an arrest warrant for Steven Barros PINTO for violations of 21 U.S.C. § 841(a)(1), and 846 (Conspiracy to Possess with Intent to Distribute a Controlled Substance and to Distribute a Controlled Substance).

3. Unless otherwise noted, wherever your affiant asserts in this affidavit that a statement has been made, this information was provided by Special Agents or Task Force Officers with HSI, or other state or local police officers (who may have had either direct

or hearsay knowledge of the statement) to whom your affiant has spoken or whose report(s) your affiant has reviewed.

SUMMARY OF THE EVIDENCE

4. A joint international investigation between United States and Canadian law enforcement determined that Daniel VIVAS CERON, Steven PINTO, Anthony GOMES, and others were members of an international drug trafficking organization (DTO) that operated in the United States and Canada. Agents learned Daniel VIVAS CERON led and organized the DTO and did so while incarcerated in the Drummond Institution, a medium security prison facility in Quebec, Canada. VIVAS CERON led the DTO by facilitating the sale, delivery, and payment of illicit controlled substances by the use of co-conspirators identified as Steven PINTO, Anthony GOMES, and others.

5. Daniel VIVAS CERON directed co-conspirators to ship controlled substances to include fentanyl and analogue controlled substances from Canada and China to locations throughout the United States to include North Dakota, Oregon, Rhode Island, and Florida. Daniel VIVAS CERON attempted to remain anonymous by communicating through various email accounts and by using a communication device application called WICKR, which is encrypted and designed to ensure communications remain secret and did not require a user to reveal their actual name.

6. The investigation started in August 2014, when agents with the United States Drug Enforcement Administration (DEA) initiated an online undercover investigation and began to communicate with Daniel VIVAS CERON via undercover email communications. From August 2014 through September 2014, DEA undercover agents sent numerous wire transfers via Western Union to associates of Daniel VIVAS CERON

in exchange for fentanyl, which was delivered and was purportedly for purposes of further distribution. As that investigation progressed, there was a fentanyl overdose death in North Dakota on January 3, 2015. The investigation into this death led to the arrest of a number of people in North Dakota and Oregon. With respect to the overdose death in North Dakota, local North Dakota suppliers identified Brandon HUBBARD of Oregon as the source of the fentanyl. A search warrant was later executed at the residence of Brandon HUBBARD where over 200 grams of fentanyl was seized and Hubbard was arrested. Following his arrest, Brandon HUBBARD identified his source of supply as JOE BLEAU, an alias utilized by Daniel VIVAS CERON. Brandon HUBBARD identified email accounts and WICKR usernames for law enforcement that he used to communicate with Daniel VIVAS CERON for the purpose of ordering fentanyl for purposes of further distribution. An HSI undercover agent assumed the identity of Brandon HUBBARD on email and WICKR and began an undercover investigation.

7. The DEA and HSI undercover investigations started independently, but once law enforcement realized they were targeting the same international drug trafficking organization, they merged their investigations and continued to coordinate with law enforcement in Canada.

8. In February and March 2015, the HSI undercover agent negotiated a purchase of fentanyl with Daniel VIVAS CERON. A shipment of approximately 28 grams of fentanyl, as confirmed by subsequent laboratory testing, was then sent to the undercover agent in Oregon.

9. In April 2015, the HSI undercover agent negotiated a purchase of fentanyl with Daniel VIVAS CERON. The undercover agent sent \$10,000.00 in Bitcoin virtual

currency to a Bitcoin address as directed by Daniel VIVAS CERON. A shipment of approximately 250 grams of fentanyl, as confirmed by subsequent laboratory testing, was then sent from China to the undercover agent in Oregon.

10. In May 2015, the HSI undercover agent negotiated another purchase of fentanyl with Daniel VIVAS CERON wherein the undercover agent sent partial payment to a Bitcoin address and \$7,000.00 cash to Quebec, Canada via Fed-Ex. A shipment of approximately 2,000 fentanyl laced pills, as confirmed by subsequent laboratory testing, was then sent from Canada to the undercover agent at an address in North Dakota.

11. The information learned from statements of Brandon HUBBARD, and the overall investigation has revealed that a fentanyl shipment arranged by Daniel VIVAS CERON resulted in the aforementioned death in North Dakota and three overdoses resulting in serious bodily injury and one death in Portland, Oregon, in March of 2015.

DRUG QUANTITY FINDING

12. The grand jury specifically finds that this conspiracy moved more than 400 grams of a mixture and substance containing fentanyl, a Schedule II controlled substance, and more than 100 grams of a mixture and substance of an analogue of fentanyl as provided in 21 U.S.C. § 841(b)(1)(A)(vi).

JULY 2015 ENCOUNTER WITH DANIEL VIVAS CERON

13. On July 17, 2015, members of the Transnational Criminal Investigative Unit (TCIU) in Panama arrested Daniel VIVAS CERON at the Tocumen International Airport, where his plane had stopped, pursuant to a provisional arrest warrant requested by the U.S. Attorney's Office in the District of North Dakota.

14. After Daniel VIVAS CERON was served with the provisional arrest warrant and read a statement of the charges against him, HSI and DEA agents were given an opportunity to conduct a post arrest interview with Daniel VIVAS CERON. Agents read Daniel VIVAS CERON his Miranda Rights, Daniel VIVAS CERON acknowledged his rights, signed the Miranda Warning, and agreed to speak with law enforcement agents.

15. Daniel VIVAS CERON acknowledged his involvement in the drug trafficking organization and stated that he did so while incarcerated in the Drummond Institution, a medium security prison facility in Quebec, Canada. Daniel VIVAS CERON admitted that he was introduced into the distribution of fentanyl business by Jason BERRY aka Daniel DESNOYER and began taking orders from some of BERRY's customers. Daniel VIVAS CERON stated he was responsible for assisting in the distribution of fentanyl, acetyl fentanyl, and additional controlled substances to multiple customers located throughout the United States. Daniel VIVAS CERON admitted that he utilized multiple aliases to include MOUNTAIN, JOE BLEAU, PHANTOM PHARMA, and APEXPHARMA, during the course of his involvement in the trafficking of controlled substances. Daniel VIVAS CERON confirmed that he arranged the distribution of controlled substances to "PDXBLACK", an alias used by Brandon HUBBARD. Daniel VIVAS CERON confirmed that he arranged the distribution of controlled substances to email accounts and WICKR usernames utilized by HSI and DEA undercover agents.

16. Daniel VIVAS CERON confirmed that he utilized several email accounts in furtherance of the distribution of controlled substances and laundering of monetary instruments. Some of these email accounts were identified by Daniel VIVAS CERON as

thelink@gmail.com, canadapharma.labs@gmail.com, lucratifanarchy777@gmail.com, and undergroundportal777@gmail.com.

EMAILS LINKING ANTHONY GOMES, AND OTHERS TO DANIEL VIVAS

CERON ORGANIZATION

17. Throughout 2014 – 2017, agents executed search warrants on several email accounts to include the email accounts agssg84@gmail.com and undergroundportal777@gmail.com. The email account agssg84@gmail.com was utilized by Anthony GOMES and communicated with undergroundportal777@gmail.com, an email account utilized by Daniel VIVAS CERON. Agents also learned Anthony GOMES utilized the email accounts whereisit2013@gmail.com and franciscowling@gmail.com to communicate with Daniel VIVAS CERON. Below are examples of historical email conversations between Anthony GOMES and members of the Daniel VIVAS CERON organization in furtherance of the distribution of controlled substance and laundering of monetary instruments:

a. In March 2013, whereisit2013@gmail.com (Anthony GOMES) sent PHANTOM PHARMA (an alias utilized by Daniel VIVAS CERON and/or additional members of the Daniel VIVAS CERON organization) Western Union information linking Anthony GOMES to money transfers totaling \$17,600.00 to TaoTao ZHANG and Konglian CHEN in China. Emails reveal the payments were conducted by Anthony GOMES and others in furtherance of a continuing partnership involving the purchase and distribution of fentanyl and additional narcotics within the United States. Agents later reviewed a number of financial records from Western Union which confirmed Anthony GOMES and others sent money to China to pay for controlled substances.

b. In March 2013, whereisit2013@gmail.com sent PHANTOM PHARMA the following email regarding steps being taken to launder monetary proceeds/payments and avoid utilizing Western Union: “That’s why I like this guy. I just left meeting with him. He said he’s going to set up an acct under a BS name that I can just use to wire you money completely anonymous. I drop off the money to his business here in Rhode Island, the next day it’ll be deposited into my BS acct in CV (Cape Verde), then I can transfer to you or to wherever it needs to go. He couldn’t set it up now because the bank is already closed in CV so he said first thing Monday he’ll set up the acct and we’ll be all set. He’s charging me only 300 for each 20k (\$20,000) so that’s not bad at all and it’s 100% anonymous from here and it’ll only take one night for the money to be in my CV acct.”

c. On March 19, 2013, agssg84@gmail.com (Anthony GOMES) sent PHANTOM PHARMA an email which contained one picture related to an international bank transfer.

d. On March 21, 2013, francisowling@gmail.com (Anthony GOMES) sent several messages to PHANTOM PHARMA. The emails read:

“I have the guy on the way to wu now give me a few and ill have mtcn”. Anthony GOMES later writes: “2900 to Taotao from: Lee Carranza, 305-505-2156, Pawtucket, RI USA, Mtcn: 205-620-7282”. PHANTOM PHARMA responded: “ok good. stuff. New fent is 99.3% I have the analysis. New batch is even stronger than last and has real H smell (vinegar like) I have 15 live and 15 waiting. I can send you some if you want”. Anthony GOMES responded, “Let me finish up what I have and ill be right on that. The first k is gone. Have 1 more left”.

e. Throughout 2013, agents observed multiple emails related to the distribution and use of fentanyl. In 2013, Anthony GOMES wrote the following message to PHANTOM PHARMA, “sheesh...I’m getting a lot of bad feedback on the H (believed to be referring to heroin/fentanyl) now...everyone except one guy is still liking it. It’s crazy, when I gave everyone samples of it they were loving it and within the last week everyone either slowed down or stopped grabbing it. I’ve heard everything from it’s not lasting long, it’s giving people a hell of a rush and they come down quick, 3 ppl OD’d on it, a few people said that when they put it in the spoon before shooting it that H is supposed to turn the water brown but this doesn’t so they know it’s fake that way. I hope this next batch gets better reviews...it’s crazy because the first week everyone loved it and now all the reviews are coming back bad.”

EMAILS LINKING STEVEN PINTO AND ANTHONY GOMES

18. Throughout 2014 - 2017, agents conducted multiple email search warrants and discovered a number of email accounts that communicated with Anthony GOMES, Daniel VIVAS CERON, and others in furtherance of the distribution of controlled substances and laundering of monetary instruments. Agents observed the email address steez25@gmail.com, an email account utilized by Steven PINTO, exchanged a number of email messages with Anthony GOMES during the timeframe of February 18, 2015 – January 19, 2016. Below is a summary of historical email messages exchanged between Anthony GOMES and Steven PINTO:

a. In February 2015, steez25@gmail.com (Steven PINTO) sent agssg84@gmail.com (Anthony GOMES) multiple photographs of what appears to be harvested marijuana buds and leaves.

b. On August 10, 2015, Steven PINTO forwarded Anthony GOMES an email message containing information relating to a Bank of America International Wire Transfer for \$5,000 that showed to have been conducted on August 10, 2015.

c. On September 3, 2015, GOMES received an email from Steven PINTO which contained a 2014 federal tax return for Steven PINTO, 17 Walker St, Pawtucket, RI.

d. On September 22, 2015, Steven PINTO sent GOMES an email relating to an International Wire Transfer for \$9,000 that was conducted on September 22, 2015. The email contained a full page copy of a Bank of America International Wire Transfer in the amount of \$9,000. The Bank of America financial documents indicates the Steven PINTO initiated/conducted the wire transfer and the money was sent to a bank account associated with David WATSON in Panama City, Panama. It should be noted that at this time, Daniel VIVAS CERON was incarcerated in a jail facility in Panama.

e. On December 15, 2015, Anthony GOMES sent Steven PINTO an email with an internet link to a currency counter machine advertised for sale on eBay.

f. On January 19, 2016, Anthony GOMES sent Steven PINTO an email with internet links to a currency counter machine and a digital electronic scale advertised for sale on eBay.

COOPERATING WITNESS STATEMENTS REGARDING STEVEN PINTO

19. In February 2018, agents met with a cooperating witness (hereinafter referred to as CW1) who provided information regarding Steven PINTO's involvement in the distribution of controlled substances and laundering of monetary instruments. CW1 stated that in 2013, CW1 began receiving mail packages containing fentanyl laced pills from

DESNOYER (aka Jason BERRY), a source of supply located in Canada. Throughout 2013, DESNOYER provided CW1 with multiple mail packages containing fentanyl pills and the pills were later distributed by CW1 and others in the United States. DESNOYER later instructed CW1 (via video and electronic communication) how to manufacture/press pill laced with fentanyl and assisted CW1 in obtaining the necessary equipment and materials to complete the manufacturing of fentanyl laced pills. Once CW1 learned how to manufacture his/her own fentanyl pills, DESNOYER continued to provide CW1 with the pure fentanyl powder needed in the manufacturing process. CW1 and others began to distribute large quantities of self-manufactured fentanyl pills in Rhode Island.

20. In 2014, CW1 became involved with DESNOYER's associate, MOUNTAIN aka Daniel VIVAS CERON. During the timeframe of early 2014 – mid 2015, Daniel VIVAS CERON provided CW1 with mail packages from Canada which contained pre-made illicit fentanyl pills as well as shipments of pure fentanyl powder from China. CW1 continued to manufacture thousands of fentanyl pills and the pills were distributed in Florida and elsewhere in the United States. CW1 stated that he received in excess of two kilograms of fentanyl as a result of purchases made from VIVAS CERON.

21. On or about June 2015, Steven PINTO agreed to work with CW1 in the manufacturing and distribution of fentanyl pills (blue in color and stamped A215). CW1, Steven PINTO, and others would manufacture fentanyl pills (up to 40,000 at a time) in Rhode Island and/or Florida and Steven PINTO and others would distribute the fentanyl pills to customers located in Rhode Island, North Carolina, and elsewhere. During the timeframe of mid-2015 – 2017, CW1 and Steven PINTO continued to manufacture and distribute large quantities of fentanyl pills. CW1 admitted to generating a large amount

illegal drug proceeds as a result of distributing fentanyl with Steven PINTO and others. On multiple occasions during 2015 – 2017, Steven PINTO provided CW1 with large quantities of drug proceeds as a result of Steven PINTO's pill sales.

22. CW1 stated that Steven PINTO recruited the assistance of multiple people in Providence, RI and the surrounding area to assist in the distribution of controlled substances and laundering of monetary instruments. Steven PINTO utilized multiple people and/or addresses to receive packages of pure fentanyl powder shipped into the United States from China, conduct money transfers (via money transfers or bank wires), and assist in the distribution of the fentanyl pills. CW1 has known Steven PINTO for a number of years and stated Steven PINTO was involved in the sale of cocaine prior to his involvement in the distribution of fentanyl pills.

23. In February 2018, agents met with a second cooperating witness (hereinafter referred to as CW2) who provided information regarding Anthony GOMES, Steven PINTO, and several other parties' involvement in the distribution of controlled substances and laundering of monetary instruments. CW2 stated that since 2015, Anthony GOMES, Steven PINTO, and others in Rhode Island, Florida, North Carolina, and elsewhere were involved in the manufacturing and distribution of fentanyl pills. On multiple occasions, CW2 observed Anthony GOMES and Steven PINTO manufacture fentanyl pills at a storage location in Rhode Island. CW2 was aware that Anthony GOMES would receive pure fentanyl powder from a source of supply located outside the United States. CW2 believed that Steven PINTO was responsible for distributing the fentanyl pills to customers in Rhode Island and North Carolina.

24. CW2 admitted to collecting drug payments from the sale of pills and the laundering of drug proceeds for Anthony GOMES and Steven PINTO. CW2 stated drug proceeds were collected in Rhode Island, North Carolina, and Florida, and the money was later provided to Anthony GOMES. At the direction of Anthony GOMES, CW2 sent money payments (via money transfers and bank wire) to Canada, China, and elsewhere.

25. In February 2018, agents met with a third cooperating witness (hereinafter referred to as CW3) who provided information regarding Anthony GOMES, Steven PINTO, and several other parties' involvement in the distribution of controlled substances and laundering of monetary instruments. CW3 stated that Anthony GOMES and Steven PINTO have been involved in the manufacturing and distribution pills for an extended period of time. CW3 stated that Steven PINTO distributed large quantities of pills (blue in color and marked A215) in Providence, RI and surrounding area.

26. On multiple occasions, Steven PINTO requested CW3's assistance in the distribution of pills and laundering of monetary instruments. On multiple occasions, Steven PINTO provided CW3 with bags containing large quantities of pills (believed to be at least 500 or more) and CW3 distributed those pills to a number of people in the Providence, RI surrounding area. CW3 also collected large quantities of United States currency from Steven PINTO's customers and returned the money to Steven PINTO. On multiple occasions, CW3 also sent money (via money transfer and bank wire) to China and other locations for Steven PINTO. CW3 stated that Steven PINTO and some of his customers were "intimidating guys" and CW3 expressed concern for his/her safety.

27. In February 2018, agents met with a fourth cooperating witness (hereinafter referred to as CW4) who provided information regarding Steven PINTO, Anthony

GOMES, and others. CW4 has known Anthony GOMES and Steven PINTO for an extended period of time and stated Anthony GOMES and Steven PINTO worked together to distribute pills. On one occasion in 2016, CW4 observed Anthony GOMES, Steven PINTO, and Elizabeth TON at a storage location in RI when small blue pills were being manufactured. CW4 observed a large amount of pills inside the storage location. CW4 stated that Steven PINTO was responsible for distributing the pills. On one occasion in 2017, Steven PINTO had a package sent from China to an address associated with CW4. CW4 stated the package arrived and CW4 observed a silver looking bag inside the package. CW4 didn't open up the silver looking bag and later provided the package to Steven PINTO. CW4 expressed concern for his/her safety due to Steven PINTO's past pattern of behavior.

28. In March 2018, agents met with a fifth cooperating witness (hereinafter referred to as CW5) who provided information regarding Steven PINTO. On two separate occasions in 2017, Steven PINTO arranged for packages from China to be sent to CW5's residence in the United States. CW5 claimed that he/she was unaware that packages were being sent to the residence until they were ultimately delivered to the residence. CW5 stated the packages seemed suspicious and believed they may have contained something illegal (i.e. narcotics). On one occasion, CW5 opened one of the packages ultimately destined to Steven PINTO and observed a sealed aluminum foil type bag. CW5 didn't open the bag and later provided the package to Steven PINTO. On the other occasion, a package from China unknowingly arrived at CW5's residence and Steven PINTO later picked up the unopened package.

29. In March 2018, agents met with a sixth cooperating witness (hereinafter referred to as CW6) who provided information regarding Steven PINTO. CW6 claimed to have known Steven PINTO for a number of years and knew Steven PINTO to be involved in distributing “WORK” (i.e. cocaine). On a few occasions in 2015, Steven PINTO requested CW6 to send at least 2 Western Union money transfers (in excess of \$1,000 each) to people in Canada and Panama. Steven PINTO provided CW6 with a small amount of money and/or something of monetary value for completing the money transfers on his behalf.

30. On March 1, 2018, agents from North Dakota assisted agents from Rhode Island and Massachusetts during the execution of a state search warrant at Steven PINTO’s residence in Attleboro, MA. Steven PINTO was not at the residence during execution of the warrant (law enforcement database records last reflected that Steven PINTO was in Dubai). During a search of the residence, agents located in excess of \$25,000 in United States cash currency, a number of electronic devices, a number of paper documents, and additional items of interest. Agent noted a number of paper documents confirmed that Steven PINTO utilized the email account steez25@gmail.com.

31. The investigation has revealed that during the timeframe of on or about June 2015 – 2017, Steven Barros PINTO and others were in violation of Title 21, United States Code, § 841(a)(1), and 846 (Conspiracy to Possess with Intent to Distribute a Controlled Substance and to Distribute a Controlled Substance).

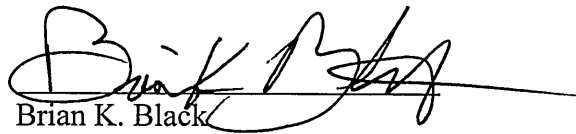
32. On March 7, 2018, your affiant completed a criminal history check on Steven Barros PINTO, DOB: 06/10/1981, SSN: xxx-xx-7277. Record checks revealed that PINTO was convicted of the following felony criminal offenses:

07/13/2004 - Manufacture / Possession / Delivery Schedule 1 Controlled Substance

12/09/2013 - Possession of Schedule 1 Controlled Substance

Further, your affiant saith not.

Dated: 3/13/18



Brian K. Black
Special Agent, Homeland Security Investigations

SUBSCRIBED AND SWORN to before me
13th day of March, 2018.



Alice R. Senechal, U.S. Magistrate Judge
UNITED STATES DISTRICT COURT
DISTRICT OF NORTH DAKOTA