

**United States Attorney Melinda Haag  
Northern District of California**

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**FORMER FEDERAL AGENT CHARGED WITH EMBEZZLEMENT AND THIRTY  
COUNTS OF MAKING FALSE STATEMENTS**

SAN FRANCISCO – A federal grand jury in Seattle indicted former ATF Special Agent and Group Supervisor James Contreras today with embezzlement of public funds and making false statements, United States Attorney Melinda Haag and Special Agent in Charge Frank J. Cabibi, United States Department of Justice, Office of the Inspector General, Los Angeles Field Office, announced.

The indictment alleges that during the time Contreras was working as an agent and supervisor at the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) office in Seattle, he embezzled money from a cash fund for which he was responsible and prepared and submitted falsified reports when accounting for the money in the fund.

According to the indictment, Contreras, 51, of Maple Valley, Washington, was a Special Agent and Group Supervisor with ATF in Seattle. He was also responsible for an Agent Cashier Fund, a cash fund that was to be used for investigative purposes such as purchasing evidence or making subsistence payments to confidential informants working with the ATF. Contreras was responsible for reviewing and approving requests by Special Agents under his supervision to use money from the fund for authorized purposes and for requesting replenishment of the fund from ATF Headquarters on a monthly basis.

The indictment alleges that between March 10, 2010 and April 30, 2012, Contreras knowingly embezzled and converted to his own use money from the Agent Cashier Fund. Specifically, the indictment states that in connection with thirty alleged payments from the fund, Contreras falsified required records and forms by writing what appeared to be the signatures of agents who were supposedly requesting and receiving money from the fund from Contreras, and by signing forms falsely representing that payments were being made to informants working for the ATF on specific investigations. In addition to the embezzlement count, the indictment also charges Contreras with thirty counts of making false statements in connection with records and reports accounting for the money in the fund.

The ATF is a component of the United States Department of Justice. The United States Attorney's Office in San Francisco, California, is investigating and prosecuting this case with the San Francisco Bay Area office of the United States Department of Justice, Office of Inspector General, Investigations Division. The United States Attorney's Office for the Western District of Washington is recused from this matter.

Contreras will make his initial appearance before the assigned U.S. District Court Judge in Seattle in December.

The maximum statutory penalty for embezzlement in violation of 18 U.S.C. § 641 is ten years imprisonment, a \$250,000 fine, and restitution. The maximum penalty for each count of making a false statement in violation of 18 U.S.C. § 1001(a)(3) is five years imprisonment and a \$250,000 fine. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Susan Badger is the Assistant United States Attorney who is prosecuting the case with the assistance of Rosario Calderon. The prosecution is the result of a 1½ year investigation by the United States Department of Justice, Office of Inspector General, Investigations Division and the ATF Office of Professional Responsibility and Security Operations.

*Please note, an indictment contains only allegations against an individual and, as with all defendants, James Contreras must be presumed innocent unless and until proven guilty.*

**Further Information:**

Case #: CR-13-0373 MJP

A copy of this press release may be found on the website of the U.S. Attorney's Office at [www.usdoj.gov/usao/can](http://www.usdoj.gov/usao/can).

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at [www.cand.uscourts.gov](http://www.cand.uscourts.gov).

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