Partners,

I wanted to take a moment to reach out and share our status with you along with some brief updates.

Director Wray recently said, "In many ways, the FBI wrote the playbook on what to do when there is no playbook." FBI Los Angeles has been re-writing our traditional playbook by balancing new challenges the pandemic has presented--new fraud schemes, increases in cyber attacks, and a potential increase in targeting minorities--while preserving the health and resiliency of our workforce. As a national security agency with a critical mission, as well as a regional employer of 1500 employees across 19 worksites, we have adjusted our posture to a reduced workforce inside our physical structures, but we remain 100% active and committed to protecting our communities.

This week our Critical Response teams responded to the intentionally derailed train in Long Beach; we arrested an individual soliciting investments in a fake cure (see press release below); and we have been working hand-in-hand with DHS and our private sector partners to identify potential locations for makeshift-hospitals and testing centers. At a national level, the FBI is working with FEMA to provide Interagency Operational Coordination Support to support the Federal, State, Tribal and Territorial response to COVID-19 planning and strategic operations.

Below are some highlights on how our partnership programs are continuing to work alongside you during this crisis:

- The LA WMD program is coordinating with our Federal, State and local Public Health entities to address any attempts to exploit the COVID-19 pandemic through WMD threats.

- Our Crisis Response assets have developed new command post protocols to ensure CDC recommended precautions are in place during any Critical Incident Response deployments.

- InfraGard Los Angeles has transitioned from in-person training courses to an online platform to continue to serve our critical infrastructure partners with proactive training. We are working with our Sector Chiefs to leverage their sector-specific expertise on potential fraud schemes and supply chain disruptions.

- The Domestic Security Alliance Council (DSAC) team is working closely with the Chief Security Officers of the Fortune 500 companies in our region to actively share pertinent threat information and to respond daily to Requests for Information (RFIs).

- Our Fusion Centers are continuing to provide investigative support to law enforcement partners and ensuring up-to-date information is shared with first responder partners
from fire, emergency management, law enforcement, public health, health, and critical infrastructure.

- CyberHood Watch continues to host monthly calls with Information Technology partners to share information about cyber threats across sectors including entertainment, healthcare, municipalities and law enforcement, energy, maritime, airports, water infrastructure, cleared contractors, and election systems.

- The Counterintelligence & Cyber Strategic Partnerships program (CISP) is collaborating with Red Dart partners from other federal entities in the Los Angeles region to continue to provide timely Counterintelligence and Cyber threat information and address the requests and concerns of the cleared contractor community.

Even more than ever, we need your help. Please report any information related to the below FBI Information Needs to your FBI POC. Members of the public are urged to report suspected fraud schemes related to the coronavirus and COVID-19 by calling the National Center for Disaster Fraud (NCDF) hotline at 1-866-720-5721 or sending complaints to the NCDF e-mail address, disaster@leo.gov

FBI REPORTING NEEDS:

- (U//FOUO) Indications of supply chain disruption
- (U//FOUO) Suspicious COVID-19-related requests, offers, or schemes
- (U//FOUO) Indications of hoarding or monopolizing of response resources
- (U//FOUO) Indications of counterfeit response measures

We know that this situation will end, and while we don't know how long it will last, we do know that we will get through it together. Continue to take care of yourselves, take care of your families, and take care of those most vulnerable among us.

Regards,

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Paul D. Delacourt

Assistant Director in Charge

FBI Los Angeles
LOS ANGELES – Special agents with the FBI this evening arrested a Southern California man on a federal fraud charge alleging he solicited investments in a company he claimed would be used to market pills that would prevent coronavirus infections and an injectable cure for those already suffering from COVID-19.

Keith Lawrence Middlebrook, 53 – who is associated with several addresses, including residences in Westwood, Newport Beach and Murrieta – was arrested pursuant to a criminal complaint filed late this afternoon in United States District Court in Los Angeles. The complaint charges Middlebrook with one count of attempted wire fraud, a felony offense that carries a statutory maximum penalty of 20 years in federal prison.

The complaint alleges that Middlebrook claimed to have personally developed a “patent-pending cure” and a treatment that prevents coronavirus infection, even though every major health authority has warned that there is no specific antiviral treatment for COVID-19 and no vaccine to prevent coronavirus infection.

Middlebrook was arrested during a meeting in which he delivered pills – purportedly the treatment that prevents coronavirus infection – to an undercover agent who was posing as an investor.

Middlebrook fraudulently solicited funds with promises of massive profits for a company he called Quantum Prevention CV Inc. (QP20), and he falsely claimed to at least one potential investor that Earvin “Magic” Johnson was a member of the board of directors, according to the affidavit in support of the complaint. Mr. Johnson confirmed to investigators that he knew nothing about Middlebrook’s company.

QP20, according to Middlebrook, would mass produce the pills he claimed would prevent COVID-19. Upon receipt of investor funds, Middlebrook would issue shares in both QP20 and Quantum Cure CV 2020 (QC20), another alleged corporation Middlebrook claimed would
market the serum that could cure COVID-19 patients within two to three days, the complaint alleges.

In communications with a cooperating witness, Middlebrook said, “I have Developed the Cure for the CoronaVirus COVID-19... *LA Patient tested Positive for CoronaVirus got up and walked out 51 hours after my Injection,” according to the affidavit. In the same text message, Middlebrook also wrote, “Investors who come in at ground level say $1M will parachute with $200M - $300M... Conservative Minimum.”

“During these difficult days, scams like this are using blatant lies to prey upon our fears and weaknesses,” said United States Attorney Nick Hanna. “While this may be the first federal criminal case in the nation stemming from the pandemic, it certainly will not be the last. I again am urging everyone to be extremely wary of outlandish medical claims and false promises of immense profits. And to those who perpetrate these schemes, know that federal authorities are out in force to protect all Americans, and we will move aggressively against anyone seeking to cheat the public during this critical time.”

“There’s a particular opportunistic cruelty in seeking to profit based on the fear and helplessness of others,” said Paul Delacourt, the Assistant Director in Charge of the FBI’s Los Angeles Field Office. “As the country reacts to the current crisis, and while many suffer from losing a loved one or losing their livelihood, the last thing Americans need are con-artists who hawk miracle cures they know are not tested, guaranteed, nor approved. The FBI is using a variety of tools to identify anyone who exploits the current crisis through investment frauds or a variety of cyber schemes – and is proactively warning investors to thoroughly research any salesperson or any product claiming to save lives, before losing their money, or creating false hope.”

Middlebrook will be held in federal custody until his initial court appearance, which is expected to be Thursday afternoon in United States District Court in downtown Los Angeles.
In a video posted eight days ago to his Instagram account, Middlebrook stated that he had created the cure for COVID-19, and he showed viewers a syringe with a clear liquid and described how his cure worked, according to the affidavit. Accompanying the video is text that reads, in part:

Yes I have Developed the Cure for the CoronaVirus COVID-19. After 6 Weeks of Intense Focus and Development (and very little sleep). I am currently going into Mass Production. ... The CDC, WHO and Mainstream Media have created a Pandemonium environment. To answer this (just because it’s what I do) I have created a CoronaVirus Prevention Pill” (After 3 Days of taking it the person is Immune to the Virus and STAYS immune as long as they continue taking it once a day it the morning) and also the COVID-19 Formula Vaccine Cure to Satisfy the Physiological and Phycological Need at large.

The affidavit states that as of March 24 the video had been viewed more than 633,000 times.

In another Instagram video that was viewed more than 1 million times over approximately three days, Middlebrook shows a pill he says prevents him from contracting COVID-19 and “states that if he took the pill and walked into the Staples Center filled with COVID-19 positive individuals, he could not contract the virus,” according to the criminal complaint.

The affidavit focuses on communications – both written and over the phone – between Middlebrook and two people he thought were potential investors, the cooperating witness and an undercover FBI agent. Middlebrook made a series of claims and promises to the undercover agent, including guaranteeing that a $300,000 investment would yield would earn $30 million on a $300,000 investment, a promise that was secured “by a current $10 billion offer from an unnamed buyer in Dubai,” according to the affidavit.

A criminal complaint contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.
The ongoing investigation in this matter is being conducted by the FBI.

This case is being prosecuted by Assistant United States Attorneys Valerie Makarewicz and James Hughes of the Major Frauds Section.

LOS ANGELES - A train engineer at the Port of Los Angeles was arrested this morning on federal charges for allegedly running a locomotive at full speed off the end of rail tracks near the USNS Mercy.

Eduardo Moreno, 44, of San Pedro, was charged today in a criminal complaint with one count of train wrecking as a result of an incident Tuesday afternoon.

According to the criminal complaint filed in United States District Court, Moreno admitted in two separate interviews with law enforcement authorities that he intentionally derailed and crashed the train near the Mercy.

Moreno ran the train off the end of tracks, and crashed through a series of barriers before coming to rest more than 250 yards from the Mercy. No one was injured in the incident, and the Mercy was not harmed or damaged in any way. The incident did result in the train leaking a substantial amount of fuel oil, which required clean up by fire and other hazardous materials personnel.

The train crash was witnessed by a California Highway Patrol officer, who took Moreno into custody as he fled the scene. The Los Angeles Port Police then took custody of Moreno, conducted an interview and obtained permission to search his residence. The FBI’s Joint Terrorism Task Force and the Port of Los Angeles Police are now leading the investigation.

The CHP officer who witnessed the crash reported seeing “the train smash into a concrete barrier at the end of the track, smash into a steel barrier, smash into a chain-link fence, slide through a parking lot, slide across another lot filled with gravel, and smash into a second chain-link fence,” according to the affidavit in support of the criminal complaint. When the CHP officer contacted Moreno, he made a series of spontaneous statements, including, “You only
get this chance once. The whole world is watching. I had to. People don’t know what’s going on here. Now they will.”

In his first interview with the Los Angeles Port Police, Moreno acknowledged that he “did it,” saying that he was suspicious of the Mercy and believing it had an alternate purpose related to COVID-19 or a government takeover, the affidavit states. Moreno stated that he acted alone and had not pre-planned the attempted attack. While admitting to intentionally derailing and crashing the train, he said he knew it would bring media attention and “people could see for themselves,” referring to the Mercy, according to the affidavit.

In a second interview with FBI agents, Moreno stated that “he did it out of the desire to ‘wake people up,’” according to the affidavit. “Moreno stated that he thought that the U.S.N.S. Mercy was suspicious and did not believe ‘the ship is what they say it’s for.’”

The Los Angeles Port Police reviewed video recorded from the locomotive’s cab, according to the affidavit. One video shows the train clearly moving at a high rate of speed before crashing through various barriers and coming into close proximity to three occupied vehicles. A second video shows Moreno in the cab holding a lighted flare.

Moreno was held overnight on local charges, and he was turned over to FBI agents this morning. Moreno is expected to make an initial appearance in federal court this afternoon.

A criminal complaint contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

The train wrecking charge alleged in the criminal complaint carries a statutory maximum penalty of 20 years in federal prison.

This case is being prosecuted by Assistant United States Attorneys Reema M. El-Amamy, Christine M. Ro and William M. Rollins of the Terrorism and Export Crimes Section with support from Trial Attorney Taryn Meeks of the Counterterrorism Section at the Department of Justice’s National Security Division.