FOR IMMEDIATE RELEASE   Wednesday, March 17, 2021

Defendant Charged In $1.4 Million Covid-19 Fraud Scheme

Elvin German Arrested for Submitting in Excess of 250 Fraudulent COVID-19 Unemployment Benefit Applications

Audrey Strauss, the United States Attorney for the Southern District of New York, Michael C. Mikulka, Special Agent in Charge of the New York Regional Office of the U.S. Department of Labor Office of Inspector General ("DOL-OIG"), and Patrick Freaney, Deputy Special Agent in Charge of the New York Field Office of the U.S. Secret Service ("USSS"), announced today the unsealing of a complaint charging ELVIN GERMAN with wire fraud and aggravated identity theft in connection with a COVID-19 unemployment benefit scheme that resulted in the loss of more than $1.4 million from the New York Department of Labor ("NY DOL"). GERMAN was arrested on March 16, 2021 in the Bronx, New York, and will be presented this afternoon before United States Magistrate Judge Sarah L. Cave.

Manhattan U.S. Attorney Audrey Strauss said: "As alleged, Elvin German used the identities of over 250 unknowing victims to file false claims in order to receive over $1.4 million in COVID-19 unemployment benefits. But investigators were able to detect a pattern to his alleged scam, partly because German typically used the same IP address and security question and answer – the name of family dog, Benji – to illegally submit applications on the DOL's website. We thank our partners at DOL and Secret Service for alertly detecting German's attempt to profiteer from funds earmarked to provide relief for families struggling with financial hardships resulting from the ongoing pandemic."

DOL-OIG Special Agent in Charge Michael C. Mikulka said: "Investigating fraud involving the Unemployment Insurance Program is an important part of the mission of the U.S. Department of Labor Office of Inspector General, particularly now when our nation is providing billions of dollars in unemployment benefits to American workers in need due to the economic effects of the COVID-19 pandemic. We will continue to work with our law enforcement partners to vigorously investigate unemployment insurance fraud."

USSS Deputy Special Agent in Charge Patrick Freaney said: "It is a priority of the U.S. Secret Service to investigate and hold responsible those who manipulate financial programs for their own personal gain. In this case, the defendant allegedly used personally identifiable information of over 200 individuals to file fraudulent unemployment insurance claims resulting in over a million dollars of loss. The Secret Service looks forward to our continued partnership with the U.S. Department of Labor as we collectively pursue those who seek to commit unemployment insurance fraud."

As alleged in the Complaint[1]:

From May 2020 through March 2021, ELVIN GERMAN engaged in a scheme to obtain COVID-19 unemployment benefits by fraudulently filing and verifying applications using the names and social security numbers of more than 250 other people. The NY DOL was alerted to the suspicious activity based on metadata associated with the applications (the "Applications"), which indicated that the Applications were either submitted and/or verified on a weekly basis from the same internet protocol ("IP") address. Additionally, the Applications had the same security questions and responses, including that the applicant's first pet was named "Benji." After identifying the residence assigned to

the IP address, DOL-OIG and USSS conducted a joint search of the residence, locating, among other items linked to GERMAN, approximately $7,000 in cash, a computer loaded to the NY DOL unemployment benefits page with the personal identifying information of four individuals named in the Applications open in an adjacent computer file, and, consistent with the security question used in the fraudulent applications – a dog wearing a collar inscribed with the name "Benji." As a result of GERMAN's scheme, the NY DOL authorized the release of more than $1.4 million of COVID-19 unemployment benefits.

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ELVIN GERMAN, 41, is charged with (1) wire fraud, which carries a maximum sentence of 20 years in prison, and (2) aggravated identity theft, which carries a mandatory two-year consecutive sentence. The maximum potential sentences in this case are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendant will be determined by the assigned judge.

Ms. Strauss praised the outstanding investigative work of DOL-OIG, the USSS, and the NY DOL.

The case is being handled by the Office's General Crimes Unit. Assistant United States Attorney Danielle M. Kudla is in charge of the prosecution.

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[1] As the introductory phrase signifies, the entirety of the text of the Complaint, and the description of the Complaint set forth herein, constitute only allegations, and every fact described herein should be treated as an allegation as to the defendants charged in the Complaint.

Attachment(s):
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u.s. v. elvin german executed complaint 1 349 1028a - final.pdf

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