

PRESS RELEASE

# Five Cleveland-Area Men Sentenced to Imprisonment and Ordered to Pay Over \$800,000 as part of a Pandemic Unemployment Assistance Fraud Scheme

Monday, September 25, 2023

## For Immediate Release

U.S. Attorney's Office, Northern District of Ohio

**CLEVELAND** – United States Attorney Rebecca C. Lutzko announced today the conclusion of a case involving five Cleveland-area men that were charged in a 47-count indictment for illegally obtaining more than \$800,000 in pandemic unemployment insurance benefits using other people’s personal identifying information. The defendants were sentenced to a combined total of 284 months of imprisonment.

According to court documents, from May to October 2020, the defendants, Errol Bennett, Jr., 26, of University Heights; Kojo Lockhart, 29, of Cleveland Heights; Mauri Nichols, 25, of South Euclid; Khyri Grace, 30, of Cleveland Heights; and Malik Grace, 26, of Cleveland Heights; submitted and caused the submission of fraudulent applications for pandemic unemployment insurance benefits to the California Employment Development Department (EDD), and other State Workforce Agencies around the country.

As part of the scheme, the members of the conspiracy knowingly made false statements and omissions on pandemic unemployment insurance benefits applications regarding employment history, residency, and more to appear eligible to receive benefits. As a result, California EDD and other State Workforce Agencies approved more than \$800,000 in unemployment insurance benefits in the names of unwitting individuals. The

benefits were pre-loaded on bank-issued debit cards and sent through the U.S. mail. After receiving the debit cards, the defendants used the cards issued in the names of other people to make cash withdrawals at various ATMs in the Northern District of Ohio.

The Court determined each defendant's sentence after a review of factors unique to this case, including the defendant's prior criminal record, if any, the defendant's role in the offenses and the characteristics of the violation. The defendants received the following terms of imprisonment: Errol Bennett, 54 months; Kojo Lockhart, 48 months; Mauri Nichols, 78 months; Khyri Grace, 60 months; and Malik Grace, 44 months. The defendants were also ordered to pay \$872,143 in restitution for fraudulently obtained benefits.

The Department of Labor, Office of Inspector General, the Federal Bureau of Investigation, and the United States Postal Inspection Service investigated this case with assistance from the Cleveland Heights Police Department. This case was prosecuted by Assistant U.S. Attorney Kathryn Andrachik and Alejandro Abreu.

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### **Topic**

**FINANCIAL FRAUD**

### **Component**

[USAO - Ohio, Northern](#)