

Department of Justice

U.S. Attorney's Office

District of Rhode Island

FOR IMMEDIATE RELEASE

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Four Arrested, More Than \$1.2m Seized in Federal, State Investigation into CARES Act Unemployment Benefits Fraud in Rhode Island

PROVIDENCE – Four individuals in Florida have been arrested and more than \$1.2 million dollars in cash has been seized in a wide-ranging, ongoing joint federal and state investigation into a significant number of fraudulent unemployment insurance claims submitted to the Rhode Island Department of Labor and Training (RIDLT), and elsewhere, for benefits funded in part by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act was passed by Congress to assist, among others, individuals whose employment has been impacted by the pandemic.

On Tuesday, four individuals were arrested in the Southern District of Florida by Rhode Island-based FBI and IRS agents. A fifth defendant, Allen Bien-Aime, 29, of Lehigh Acres, has yet to be apprehended.

At the time of the arrests, court-authorized searches resulted in the seizure of more than \$1.2 million dollars in cash, several hundred debit cards in the names of individuals whose identities were allegedly stolen, a large collection of high-end jewelry, and six firearms.

According to court documents, it is alleged that Allen Bien-Aime, 29, of Lehigh Acres, James Legerme, 29, of Sunrise, Junior Mertile, 30, of Pembroke Pines, Tony Mertile, 28, of Miramar, and Irvin Vilneus, 28, of North Lauderdale, were involved in complex schemes to use stolen personal identifying information belonging to Rhode Islanders, and others, to apply online for unemployment benefits, and to have those benefits direct deposited into one of many bank accounts opened expressly for receiving fraudulently obtained unemployment insurance benefit payments, as well as fraudulently obtained federal and state tax refunds.

It is alleged that, using stolen personal identifying information, at least three of the individuals filed fraudulent applications with RIDLT or other state unemployment systems to obtain unemployment benefits. All five are alleged to have withdrawn fraudulently obtained funds shortly after the funds were deposited and posted to bank accounts in the names of other individuals.

“As today's announcement makes clear, there are serious, criminal, consequences to making use of stolen personal identification information, filing fraudulent applications for unemployment insurance, and withdrawing such fraudulently obtained funds for one's own, unlawful, benefit,” said United States Attorney Aaron L. Weisman. “The federal government, with its many dedicated components and with the invaluable assistance of our state and local law enforcement partners, is committed to and will spare no effort in ensuring that unemployment insurance funds not be fraudulently misdirected by scammers and away from the hardworking Rhode Islanders entitled to and deserving of unemployment benefits.”

“What these individuals are accused of doing is absolutely despicable. They cashed in on a public health crisis by allegedly stealing the identities of innocent victims and unemployment benefits that

are a lifeline for thousands of Rhode Islanders trying to feed their families,” said Joseph R. Bonavolonta, Special Agent in Charge of the FBI Boston Division. “It’s critical that every dollar spent goes to someone who actually needs it, and not to con artists trying to cheat the system. That’s why the FBI and our law enforcement partners will not stop until everyone responsible has been identified and brought to justice.”

“When people collect benefits they aren’t entitled to, as is alleged here, they reduce the amount of benefits that are available to those who are eligible and who really need them,” said Attorney General Peter F. Neronha. “These defendants’ alleged conduct sought to defraud the government during a crucial time as it provided assistance to struggling Rhode Islanders. That’s why this work is important, and that’s why we do it.”

Colonel James M. Manni, Superintendent of the Rhode Island State Police and Director of the Department of Public Safety stated, “During a time when life was brought to a standstill by an unprecedented pandemic, these individuals chose to prey on the most vulnerable and those in need of the government’s assistance. Their indiscriminate criminal actions affected tens of thousands of Americans and the full weight of Federal, State and Local investigative forces was used to bring them to justice.”

“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. The Office of Inspector General will continue to work with our law enforcement partners to vigorously investigate unemployment insurance fraud,” stated Michael C. Mikulka, Special Agent-in-Charge, New York Region, U.S. Department of Labor Office of Inspector General.

“Stealing funds designated to help American taxpayers during the COVID pandemic is both disgraceful and criminal,” stated Acting Special Agent in Charge Joleen Simpson of the Internal Revenue Service-Criminal Investigation Division. “Today’s arrests exemplify IRS-CI’s commitment to provide resources to combat COVID related fraud and to work jointly with our law enforcement partners in pursuit of this endeavor.”

The five defendants, each charged by way of federal criminal complaints with bank fraud, wire fraud, conspiracy to commit bank and wire fraud, access device fraud, money laundering, conspiracy to commit money laundering, aggravated identity theft, theft of public money, conspiracy to commit theft of public money, conspiracy to commit access, conspiracy to commit access device fraud, and conspiracy to commit aggravated identity theft, were arrested without incident and have made initial appearances in U.S. District Courts in Florida. The defendants will appear in U.S. District Court in Providence on dates yet to be determined.

A federal criminal complaint is merely an accusation. A defendant is presumed innocent unless and until proven guilty.

Tony Mertile, Junior Mertile, James Legerme, and Irvin Vilneus made their initial appearances in Magistrate Court this morning in the Southern District of Florida. They have been detained in custody pending further proceedings scheduled for Monday, October 26.

The case is being prosecuted in U.S. District Court by Assistant U.S. Attorneys Denise M. Barton and Stacey P. Veroni and Rhode Island Assistant Attorney General John M. Moreira, chief of the Rhode Island Attorney General’s Public Integrity Unit.

This ongoing investigation is being conducted by the United States Attorney’s Office, Rhode Island Department of the Attorney General, Federal Bureau of Investigation, Rhode Island State Police,

Internal Revenue Service Criminal Investigations, and the Department of Labor – Office of Inspector General, with substantial assistance from the United States Postal Inspection Service, United States Secret Service, and United States Social Security Administration, Office of Inspector General/Office of Investigations.

United States Attorney Aaron L. Weisman, Rhode Island Attorney General Peter F. Neronha and FBI Boston Division Special Agent in Charge Joseph R. Bonavolonta thank the Miami Division of the FBI and the Fort Myers Resident Agency of the FBI Tampa Division for assistance they provided to the FBI's Complex Financial Crimes Unit in the arrest of the defendants, and the U.S. Marshal Service in Florida for their assistance detaining the defendants.

United States Attorney Weisman extends his gratitude to the United States Attorneys and prosecutors in the Middle District of Florida and the Southern District of Florida for their assistance.

Rhode Islanders who believe their personal identification has been stolen and used to fraudulently obtain unemployment benefits from the RIDLT are urged to contact the Rhode Island State Police at financialcrimes@risp.gov or the FBI Providence office at (401) 272-8310.