

U.S. Department of Justice

*United States Attorney
District of Connecticut*

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CONTACT:

Tom Carson
Public Information Office
(203) 821-3722
(203) 996-1393 (cell)

**NEW JERSEY WOMAN ADMITS OPERATING
UNEMPLOYMENT BENEFITS FRAUD SCHEME**

Deirdre M. Daly, United States Attorney for the District of Connecticut, today announced that THERESA A. FREEMAN, 65, of Atlantic City, N.J., pleaded guilty yesterday before U.S. District Judge Janet Bond Arterton in New Haven to one count of conspiracy to commit wire fraud stemming from a scheme to defraud unemployment insurance programs in a “fictitious employer scheme.”

According to court documents and statements made in court, FREEMAN filed incorporation paperwork with the State of Connecticut for “Tribal Organic Products,” which she claimed was an internet business that she operated from an address in Trumbull, Connecticut. The business was, in fact, a fictitious company that did not engage in any business activity. In December 2012, FREEMAN’s son filed a claim with the Connecticut Department of Labor for unemployment insurance benefits, claiming that he was laid off from Tribal Organic Products. Between January 2013 and July 2013, FREEMAN’s son received approximately \$13,474 in unemployment insurance benefits from the State of Connecticut.

In pleading guilty, FREEMAN also admitted that she previously operated similar fictitious employer schemes that defrauded both the Pennsylvania Department of Labor and Industries and the North Carolina Department of Commerce, Division of Employment Security of \$16,253 and \$14,136, respectively.

FREEMAN has a prior federal conviction in the District of South Carolina for mail fraud stemming from similar conduct.

Judge Arterton scheduled sentencing for December 13, 2016, at which time FREEMAN faces a maximum term of imprisonment of 20 years and a fine of up to \$250,000.

This investigation is being conducted by the U.S. Department of Labor – Office of Inspector General, U.S. Department of Homeland Security – Office of Inspector General, Office of the Chief State’s Attorney, Connecticut Department of Labor, Pennsylvania Department of Labor and Industries, and North Carolina Department of Commerce, Division of Employment Security.

The case is being prosecuted by Assistant U.S. Attorney Deborah R. Slater.

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