

Department of Justice

U.S. Attorney's Office

District of Maryland

FOR IMMEDIATE RELEASE

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**Three Maryland Men Facing Federal Indictment for Filing
More Than 600 Fraudulent Claims for Unemployment
Resulting in Losses of More Than \$2.7 Million**

**Used the Personal Identifying Information of Victims to File Fraudulent
Unemployment Claims in Maryland, Michigan, Tennessee and At Least 16
Other States**

Baltimore, Maryland – A federal grand jury has returned an indictment charging three Maryland men on federal charges related to a scheme to fraudulently obtain more than \$2.7 million in unemployment benefits. The indictment was returned on August 30, 2021, and unsealed today upon the arrests of the defendants. Charged in the indictment are:

Gladstone Njokem, age 34, of Hyattsville, Maryland;
Martin Tabe, age 32, of Bowie, Maryland; and
Sylvester Atekwane, age 31, of Hyattsville.

The defendants will have initial appearances today beginning at 1:30 p.m., in U.S. District Court in Baltimore before U.S. Magistrate Judge Beth P. Gesner.

The indictment was announced by Acting United States Attorney for the District of Maryland Jonathan F. Lenzner; Postal Inspector in Charge Daniel A. Adame of the U.S. Postal Inspection Service - Washington Division; Special Agent in Charge Derek Pickle, of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General; and Special Agent in Charge James R. Mancuso of Homeland Security Investigations (HSI) Baltimore.

As detailed in the indictment, in Maryland, Michigan, and Tennessee, individuals who have lost a job can contact the appropriate state agency to submit a claim for unemployment insurance (UI) benefits. Claims for UI benefits in all three states are typically submitted electronically through the use of the Internet or Internet-capable devices. If the former employee meets certain requirements, they become eligible to receive UI benefits. Prior to April 2021, an approved claimant for UI benefits in Maryland received a Prepaid VISA debit card with the claimant's name on it through the mail. Claimants in Michigan and Tennessee also had the option of having UI benefits deposited to a prepaid debit card. In each state, the appropriate state agency would authorize the electronic application of UI benefits to the debit card and continue to do so on a periodic basis if the claimant continued to qualify for benefits.

The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was signed into law on March 27, 2020. It expanded states' ability to provide UI for many workers impacted by the COVID-19 pandemic, including for workers who are not ordinarily eligible for unemployment benefits. The CARES Act created the Pandemic Unemployment Assistance ("PUA") program, under which states are permitted to provide PUA to individuals who are self-employed, seeking part-time employment, or otherwise would not qualify for regular UI compensation. The CARES Act also established the Pandemic Emergency Unemployment Compensation ("PEUC") program, which covers most individuals who have exhausted all rights to regular UI compensation under state or federal law and

who are able to work, available for work, and actively seeking work as defined by state law. Finally, the CARES Act also established the Federal Pandemic Unemployment Compensation (“FPUC”) program. From April 4, 2020 through July 31, 2020, FPUC allowed states to give an additional \$600 per week to individuals collecting UI compensation. From January 2021 through September 6, 2021, FPUC allowed states to provide an additional \$300 per week to individuals collecting UI compensation.

According to the 13-count indictment, from February 2020 through February 2021, Njokem, Tabe, Atekwane and others conspired to impersonate victims in order to submit fraudulent UI claims. To accomplish this, the defendants obtained the personally identifiable information (PII) of victims, often under false pretenses. For example, Njokem obtained PII from at least one victim by falsely claiming to sell puppies. The defendants allegedly shared the PII amongst themselves and with others and used the victims’ PII to submit fraudulent applications for UI benefits in Maryland, Michigan, and Tennessee.

The indictment alleges that the fraudulent applications contained false representations concerning the victims’ contact information, address, work availability, and that they were newly unemployed. The defendants allegedly used false physical addresses for UI applications, such that any UI benefits that were paid by the state would be received by the defendants, rather than the victims. In some instances, the defendants used their own physical addresses in UI applications to receive the victims’ UI benefits. In other instances, the defendants used the addresses of nearby vacant residences to receive UI applications in an effort to avoid detection by government authorities.

As detailed in the indictment, once the defendants received the fraudulently obtained debit cards, they made cash withdrawals and other transactions throughout Maryland and used the cash for their own benefit and for the benefit of others who also were not entitled to the money.

The indictment alleges that as a result of the conspiracy, Njokem, Tabe, Atekwane, and others caused at least 600 fraudulent UI claims to be submitted in Maryland, Michigan, Tennessee, and at least sixteen other states, resulting more than 2.7 million dollars in actual losses.

If convicted, the defendants face a maximum sentence of 20 years in federal prison for conspiracy to commit wire fraud and for each of the nine counts of wire fraud. The defendants each also face a mandatory sentence of two years in federal prison, consecutive to any other sentence imposed, for aggravated identity theft. Actual sentences for federal crimes are typically less than the maximum penalties. A federal district court judge will determine any sentence after taking into account the U.S. Sentencing Guidelines and other statutory factors.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

Acting United States Attorney Jonathan F. Lenzner commended the USFIS, the DOL-OIG, HSI, and the U.S. Department of the Treasury – OIG for their work in the investigation. Mr. Lenzner thanked the Prince George’s County Police Department, the Baltimore Police Department, and the Maryland Department of Labor for their assistance. Mr. Lenzner also thanked Assistant U.S. Attorneys Zachary H. Ray, Sean R. Delaney, and Matthew Maddox, who are prosecuting the federal case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and

techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

For more information on the Maryland U.S. Attorney's Office, its priorities, and resources available to help the community, please visit www.justice.gov/usao-md and <https://www.justice.gov/usao-md/community-outreach>.

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