

PRESS RELEASE

Metro Atlanta man sentenced for money laundering conspiracy involving COVID fraud proceeds

Wednesday, June 14, 2023

For Immediate Release

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

ATLANTA - Oluwagbemiga Otufale has been sentenced for money laundering conspiracy involving fraudulent proceeds of multiple fraud schemes.

"Otufale attempted to take advantage of our country during a time of unprecedented crisis for the most vulnerable in our society," said U.S. Attorney Ryan K. Buchanan. "Our office is committed to work tirelessly with our law enforcement partners to identify and prosecute individuals involved in COVID-19 relief fraud and those who launder the proceeds of that criminal activity."

"So many individuals needed federal emergency assistance to stay afloat during the pandemic, and Otufale laundered millions of dollars of that assistance money, allowing fraudsters to enjoy their ill-gotten gains and lining his own pockets," said Keri Farley, Special Agent in Charge of FBI Atlanta. "His greed affects every American taxpayer, and the FBI will continue to hold accountable those who abused tax payer dollars and diverted them from citizens who desperately needed them."

"Oluwagbemiga Otufale used fraudulent passports and other identity documents to open numerous bank accounts in the names of various shell companies. Otufale used the accounts to launder more than \$2.6 million in illicit funds. Most of the laundered funds were the proceeds of fraudulent unemployment claims that were filed in multiple states, including Illinois, Massachusetts, and Washington. These fraudulent claims were filed using the personal identifiable information of unwitting individuals. We will continue to work with our law enforcement partners to safeguard the unemployment insurance system from those who seek to exploit the system," said Mathew Broadhurst, Special Agent-in-Charge, Southeast Region, U.S. Department of Labor, Office of Inspector General.

According to U.S. Attorney Buchanan, the charges and other information presented in court: The Coronavirus Aid, Relief, and Economic Security ("CARES") Act created a temporary federal program that provided up to 39 weeks of unemployment benefits for those unemployed as a result of the pandemic and included a provision to provide temporary benefits to individuals who had exhausted their entitlement to regular benefits or were otherwise not eligible. That temporary federal program was administered by state employment agencies.

Otufale laundered money procured from fraudulent unemployment claims submitted to numerous state employment agencies, including those in the states of Washington, Illinois, and Massachusetts. These claims were filed using stolen personally identifiable information of more than 50 individuals. Otufale also laundered proceeds from a business email compromise scheme targeting two Georgia businesses.

Otufale created multiple aliases and sham business entities to open financial accounts in which he deposited the fraudulent proceeds and withdrew cash. In total, Otufale laundered approximately \$2.6 million in fraud proceeds through at least six bank accounts.

Oluwagbemiga Otufale, also known as "Joseph Perrone," "Kelvin Benjamin," and "Abraham Young," 45, of Atlanta, Georgia, was sentenced by U.S. District Judge Leigh Martin May to seven years in prison to be followed by three years of supervised release and ordered to pay restitution in the amount of \$498,450. Otufale was convicted of the charge of money laundering conspiracy on December 7, 2022, after he pleaded guilty.

This case was investigated by the Federal Bureau of Investigation and U.S. Department of Labor, Office of Inspector General.

Assistant U.S. Attorneys Sarah E. Klapman and Tracia King prosecuted the 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 further information please contact the U.S. Attorney's Public Affairs Office at USAGAN.PressEmails@usdoj.gov or (404) 581-6016. The Internet address for the U.S. Attorney's Office for the Northern District of Georgia is <http://www.justice.gov/usao-ndga>.

Updated June 14, 2023

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