UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

UNITED STATES OF AMERICA	INDICTMENT NO. CR422-0084
v.	18 U.S.C. § 1349 Conspiracy to Commit Wire and Bank Fraud
BERNARD OKOJIE	18 U.S.C. § 1343 Wire Fraud
	18 U.S.C. § 1956(h) Money Laundering Conspiracy

THE GRAND JURY CHARGES THAT:

At all times relevant to this Indictment:

INTRODUCTION

1. Beginning in or about May 2020 and continuing until in or about January 2021, **BERNARD OKOJIE** led a scheme to defraud the United States by submitting Economic Injury Disaster Loan ("EIDL") applications to the U.S. Small Business Administration ("SBA") for non-existent companies.

2. **OKOJIE** submitted these EIDL applications in his name, on behalf of companies he had made up, and in the names of others. For the EIDLs he submitted for others, he took a percentage of the fraudulent proceeds for his services orchestrating the fraud.

3. **OKOJIE** then ran the fraudulent proceeds through multiple bank accounts in the names of various companies in an effort to launder the funds.

4. Through this scheme, **OKOJIE** sought to take advantage of a program meant to help struggling businesses during a global pandemic, and to defraud the United States out of millions of dollars through the fraudulent EIDL applications he submitted.

5. **OKOJIE** committed this vast fraud scheme to enrich himself in the form of massive amounts of cash. He then used these funds for his own personal benefit, including spending thousands of dollars spent at stores like Gianni Versace and others.

<u>The Defendant and His Purported Businesses</u>

6. **OKOJIE** was an individual residing in Georgia who submitted EIDL applications for individuals in several states, including for an individual residing in the Southern District of Georgia.

7. B&K FREIGHT LLC was a Georgia limited liability company owned and controlled by **OKOJIE**.

8. KOJIE9 LC was a Georgia limited liability company owned and controlled by **OKOJIE**.

9. **OKOJIE** claimed ownership in many businesses that were purportedly located in Georgia, but were not actually in existence and were not registered corporate entities, including:

a. Kojie9 Home Care LLC, a purported Georgia health services business;

b. Kojie9 Plumbing Service LLC, a purported Georgia construction and contractors business; and

c. B & K Automobile Sale Inc., a purported Georgia car dealership.

The COVID-19 Pandemic and the CARES Act

10. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or about March 2020 designed to provide emergency financial assistance to the millions who are suffering the economic effects caused by the COVID-19 pandemic.

11. Among other relief efforts, the United States sought to provide financial support to eligible businesses that could be used to offset certain business expenses.

12. The SBA was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses. The SBA was headquartered in Washington, DC and maintained its computer servers outside of the State of Georgia. The SBA's mission was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

13. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans have government-backed guarantees. In addition, the SBA provided loans that came directly from the U.S. Government.

Economic Injury Disaster Loans

14. One source of relief provided by the CARES Act was the authorization for the SBA to provide EIDLs to eligible small businesses experiencing substantial financial disruption due to the COVID-19 pandemic.

15. In order to obtain an EIDL, a qualifying business had to submit an online application to the SBA and provide information about its operations, such as the number of employees, gross revenues for the twelve-month period preceding the disaster, and the cost of goods the business sold in the twelve-month period preceding the disaster. In the case of EIDLs, the twelve-month period was that preceding January 31, 2020. The applicant also had to certify that all the information in its application was true and correct to the best of the applicant's knowledge.

16. EIDL applications were submitted directly to the SBA online at https://covid19relief.sba.gov/#/ and processed by the agency with support from a government contractor, Rapid Finance. The amount of each loan was determined based, in part, on the information provided by the application about employment, revenue, and cost of goods, as described above. Any funds issued under an EIDL were issued directly by the SBA.

17. EIDL funds could be used for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments.

The Paycheck Protection Program

18. Another source of relief provided by the CARES Act was the authorization of up to $349 billion in forgivable loans to small businesses for job

retention and certain other expenses, through a program referred to as the Paycheck Protection Program ("PPP"). In or around April 2020, Congress authorized over $300 billion in additional PPP funding.

19. In order to obtain a PPP loan, a qualifying business had to submit a PPP loan application signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. In the PPP loan application, the small business (through its authorized representative) had to state, among other things, its: (a) average monthly payroll expenses; and (b) number of employees. These figures were then used to calculate the amount of money the small business was eligible to receive under the PPP. In addition, a business applying for a PPP loan had to provide documentation showing its payroll expenses.

20. A PPP loan application must be processed by a participating lender, such as a financial institution. If a PPP loan is approved, the participating lender funds the PPP loan using its own monies, which are 100% guaranteed by the SBA. Data from the application, including the information about the borrower, the total amount of the loan, and the listed number of employees, is transmitted by the lender to the SBA in the course of processing the loan.

21. The PPP loan proceeds must be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal of the PPP loan to be entirely forgiven if the

business spends the loan proceeds on these expense items within a designated period of time and uses a certain percentage of the PPP loan proceeds on payroll expenses.

COUNT ONE

Conspiracy to Commit Wire and Bank Fraud
18 U.S.C. § 1349

22. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 21 of this Indictment as if fully set forth herein.

23. Beginning in or about May 2020 and continuing until in or about January 2021, in the Southern District of Georgia, and elsewhere, the Defendant,

BERNARD OKOJIE,

with other co-conspirators, known and unknown, did conspire, confederate, and agree with each other to commit the following offenses:

a. wire fraud, that is, to devise and intend to devise a scheme and artifice to defraud individuals and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing this scheme, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce signals and sounds, all in violation of Section 1343 of Title 18 of the United States Code; and

b. bank fraud, that is, to knowingly execute or attempt to execute a scheme and artifice to obtain any of the moneys, funds, credits, assets, securities, and other property under the custody and control of a financial institution by means of false and fraudulent pretenses, representations, and promises, all in violation of Section 1344 of Title 18 of the United States Code.

The Object of the Conspiracy

24. It was the object of the conspiracy for **OKOJIE** and others to unlawfully enrich themselves by, among other things, obtaining EIDL and PPP proceeds under false and fraudulent pretenses, including by making false statements about **OKOJIE**'s and his coconspirators' companies' gross revenue.

Manner and Means

25. It was part of the conspiracy, and the manner and means thereof, that **OKOJIE** submitted, or caused to be submitted, one or more false and fraudulent applications for PPP loans to financial institutions, and multiple electronic applications for EIDLs from the SBA at https://covid19relief.sba.gov/#/, knowing the same to contain material false representations.

26. From May 2020 through January 2021, **OKOJIE** submitted, or caused to be submitted, no less than ten different EIDL applications to the SBA on behalf of various businesses purportedly owned and operated by **OKOJIE**. In each, **OKOJIE** falsely affirmed that the businesses had substantial gross revenue in the twelve months prior to January 31, 2020, including but not limited to:

a. On June 25, 2020, applying for an EIDL for "Bernard Okojie," and falsely stating that "Bernard Okojie" had $180,000 in gross revenue in the twelve months prior to January 31, 2020;

b. On June 27, 2020, applying for an EIDL for "kojie9 llc," and falsely stating that "kojie9 llc" had $160,000 in gross revenue in the twelve months prior to January 31, 2020;

c. On July 31, 2020, applying for an EIDL for "kojie9 home care llc," and falsely stating that "kojie9 home care llc" had $238,000 in gross revenue in the twelve months prior to January 31, 2020;

d. On August 1, 2020, applying for an EIDL for "kojie9 plumbing service llc," and falsely stating that "kojie9 plumbing service llc" had $219,900 in gross revenue in the twelve months prior to January 31, 2020;

e. On September 27, 2020, applying for an EIDL for "B & K Automobile Sale Inc" and falsely stating that "B & K Automobile Sale Inc" had $268,000 in gross revenue in the twelve months prior to January 31, 2020;

f. On October 16, 2020, applying for an EIDL for "kojie9 llc," and falsely stating that "kojie9 llc" had $243,600 in gross revenue in the twelve months prior to January 31, 2020; and

g. On January 12, 2021, applying for an EIDL for "B & k Freight LLC," and falsely stating that "B & k Freight LLC" had $187,000 in gross revenue in the twelve months prior to January 31, 2020.

27. From July 2020 through August 2020, **OKOJIE** also submitted, or caused to be submitted, at least eight different EIDL applications to the SBA on behalf of various businesses purportedly owned and operated by individuals known to **OKOJIE**. In return, the individuals paid **OKOJIE** a kickback in the form of a percentage of the EIDL amount received. In each, **OKOJIE** falsely affirmed that the

businesses had substantial gross revenue in the twelve months prior to January 31, 2020, including but not limited to:

a. On July 14, 2020, applying for an EIDL for Individual 1 of Locust Grove, Georgia, and falsely stating that Individual 1's business had $233,900 in gross revenue in the twelve months prior to January 31, 2020;

b. On July 16, 2020, applying for an EIDL for Individual 2 of Macon, Georgia, and falsely stating that Individual 2's business had $242,800 in gross revenue in the twelve months prior to January 31, 2020;

c. On July 20, 2020, applying for an EIDL for Individual 3 of Jonesboro, Georgia, and falsely stating that Individual 3's business had $234,000 in gross revenue in the twelve months prior to January 31, 2020;

d. On July 21, 2020, applying for an EIDL for Individual 4 of Savannah, Georgia, and falsely stating that Individual 4's business had $246,800 in gross revenue in the twelve months prior to January 31, 2020;

e. On July 21, 2020, applying for an EIDL for Individual 5 of Gloster, Mississippi, and falsely stating that Individual 5's business had $244,500 in gross revenue in the twelve months prior to January 31, 2020;

f. On July 23, 2020, applying for an EIDL for Individual 6 of McComb, Mississippi, and falsely stating that Individual 6's business had $246,900 in gross revenue in the twelve months prior to January 31, 2020;

g. On August 4, 2020, applying for an EIDL for Individual 7 of McComb, Mississippi, and falsely stating that Individual 7's business had $244,900 in gross revenue in the twelve months prior to January 31, 2020; and

h. On August 7, 2020, applying for an EIDL for Individual 8 of Lawrenceville, Georgia, and falsely stating that Individual 8's business had $238,500 in gross revenue in the twelve months prior to January 31, 2020.

28. It was further a part of the scheme that, after individuals for whom **OKOJIE** applied for EIDLs received their loan payments from the SBA, **OKOJIE** would receive a percentage of the fraudulent loan for his role in obtaining the fraudulent loan. Individuals made these payments to **OKOJIE** by depositing money into a bank account in the name of one of **OKOJIE**'s "businesses." These payments include:

a. A July 24, 2020 payment of $14,040 from Individual 3;

b. A July 27, 2020 payment of $30,575 from Individual 5;

c. A July 31, 2020 payment of $18,495 from Individual 4;

d. A July 31, 2020 payment of $15,510 from Individual 6;

e. An August 13, 2020 payment of $15,375 from Individual 7;

f. An August 17, 2020 payment of $17,550 from Individual 1;

g. An August 20, 2020 payment of $17,745 from Individual 8; and

h. An August 24, 2020 payment of $18,210 from Individual 2.

29. It was further part of the conspiracy that **OKOJIE** submitted, or caused to be submitted, one or more PPP applications containing representations that **OKOJIE** then and there knew to be false and fraudulent, including a PPP application to Lender 1, a financial institution, for a food services business in the name of Bernard Okojie. In connection with this PPP application, **OKOJIE** submitted, or caused to be submitted, a fake tax document to Lender 1 with fake gross receipt numbers.

All in violation of Title 18, United States Code, Section 1349.

COUNT TWO

Wire Fraud

18 U.S.C. §§ 1343 and 2

30. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 21 of this Indictment as if fully set forth herein.

31. On or about July 21, 2020, in the Southern District of Georgia, and elsewhere, the Defendant,

BERNARD OKOJIE

aided and abetted by others, devised and intended to devise a scheme to defraud the United States, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises, and for the purpose of executing the scheme and artifice and to obtain money and property, caused interstate and foreign wire communications to be made, in furtherance of the scheme and artifice to defraud, to wit, the online submission of an EIDL application ending in 9966 in the name of Individual 4, who was claimed by **OKOJIE** in EIDL application 9966 to operate a seven-employee health services business in Savannah, Georgia that had 12-month gross revenue prior to January 31, 2020 of $246,800.00, when in truth and in fact, and as **OKOJIE** then and there knew, Individual 4 operated no such business and had no such revenue.

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THREE

Money Laundering Conspiracy
18 U.S.C. § 1956(h)

32. The Grand Jury re-alleges and incorporates by reference the factual allegations contained in paragraphs 1 through 21 of this Indictment as if fully set forth herein.

33. From in or about May 2020 up to and continuing until in or about January 2021, in the Southern District of Georgia and elsewhere, the Defendant,

BERNARD OKOJIE

and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit money laundering, in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i), 1956(a)(1)(B)(ii), and 1957.

34. It was part and an object of the conspiracy that **OKOJIE**, and others known and unknown, knowing that the property involved in certain financial transactions represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions that in fact involved the proceeds of specified unlawful activity, that is, the wire and bank fraud schemes and conspiracy charged in Counts One and Two of this Indictment, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

35. It was also a part and an object of the conspiracy that **OKOJIE**, and others known and unknown, knowing that the property involved in certain financial

transactions represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions that in fact involved the proceeds of specified unlawful activity, that is, the wire and bank fraud schemes and conspiracy charged in Counts One and Two of this Indictment, knowing that the transactions were designed in whole and in part to avoid a transaction reporting requirement under State and Federal law, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(ii).

36. It was also part and an object of the conspiracy that **OKOJIE**, and others known and unknown, within the United States, knowingly engaged and attempted to engage in monetary transactions in criminally derived property of a value greater than $10,000.00 that was derived from specified unlawful activity, that is, fraud schemes involving COVID-19 stimulus funds, including EIDL funds and PPP funds, in violation of Title 18, United States Code, Section 1957.

All in violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATION

The allegations contained in Counts One through Three of this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a) and Title 28, United States Code, Section 2461(c).

Upon conviction of one or more of the offenses in violation of Title 18, United States Code, Sections 1349 and 1343 set forth in Counts One and Two of this Indictment, **DEFENDANT** shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation.

Additionally, upon conviction of violating Title 18, United States Code, Section 1956(h) as alleged in Count Three of this Indictment, **DEFENDANT** shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a), any property, real or personal, involved in the offense, or any property traceable to such property.

If any of the property described above, as a result of any act or commission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A True Bill.

Foreperson

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