

## **How Prison Inmates Orchestrated a \$5M Fraud Using “Johning” Technique**



Inmates inside South Carolina prisons used contraband cellphones and sophisticated social engineering to steal nearly \$5 million in COVID-19 unemployment benefits.

At the heart of their fraud was a practice known as "Johning," where inmates posed as young men or women to lure victims outside the prison into sending compromising photos of themselves.

The pictures they received were the first step in an elaborate fraud that exploited vulnerable victims and COVID benefits at the same time.

### **A Multiple Step Fraud – From Romance To Impersonation To Identity Theft**

The inmates showed creativity, using a two-step phone manipulation to transform from online romantic interests into fake law enforcement officers impersonation. Once they had compromising photos from the victim, they would their tactic and contact the victims claiming to be law enforcement officials. They used this technique to extort victims for money and personal identification documents.

This personal information they received became the raw material for the bigger score: fraudulent COVID unemployment claims. The conspirators filed claims across eight states, including South Carolina, Pennsylvania, and California, using a mix of stolen identities from both fellow inmates and their extortion victims.

## **Bridging The Gap**

The fraud required a sophisticated network that bridged the gap between prison walls and the outside world. Family members and friends served as the crucial link, receiving government checks and prepaid Visa cards before converting them into digital currency through apps like Venmo and Cash App.

*“This extensive fraud scheme exploited and misused individuals’ personal information, some unknowingly, for financial gain at the expense of American taxpayers,” said Acting U.S. Attorney Brook B. Andrews for the District of South Carolina. “The individuals involved showed a complete disregard for the law and used deception, manipulation, and extortion to unlawfully obtain nearly \$5 million in unemployment benefits. Our agencies remain committed to holding those responsible accountable and ensuring that such fraudulent schemes do not undermine public trust in vital government programs.”*

The consequences for the defendants are severe, with each facing up to 20 **additional years in federal prison**. Of the 31 originally indicted, 29 have pleaded guilty, while one defendant passed away and another, Christine Hankins, remains a fugitive from justice.