

Approved: 
DANIELLE M. KUDLA
Assistant United States Attorney

Before: THE HONORABLE SARAH L. CAVE
United States Magistrate Judge
Southern District of New York

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UNITED STATES OF AMERICA : **SEALED COMPLAINT**
:
- v. - : Violations of 18 U.S.C.
: §§ 1349, 1028A(a)(1),
ELVIN GERMAN, : 1028A(b), and 2
:
: COUNTY OF OFFENSE:
Defendant. : BRONX
:
- - - - - X

SOUTHERN DISTRICT OF NEW YORK, ss.:

TIMOTHY SCHMIDT, being duly sworn, deposes and says that he is a Special Agent with the United States Department of Labor, Office of Inspector General ("DOL-OIG"), and charges as follows:

COUNT ONE
(Wire Fraud)

1. From at least in or about May 2020, up to and including at least in or about March 2021, in the Southern District of New York and elsewhere, ELVIN GERMAN, the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs signals, pictures, and sounds, for the purpose of executing such scheme and artifice, to wit, GERMAN fraudulently

submitted online applications for unemployment benefits using personal identifying information belonging to other people.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT TWO

(Aggravated Identity Theft)

2. From at least in or about May 2020, up to and including at least in or about March 2021, in the Southern District of New York and elsewhere, ELVIN GERMAN, the defendant, knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, GERMAN used the names and social security numbers of other persons during and in relation to the wire fraud violation charged in Count One of this Complaint.

(Title 18, United States Code, Sections 1028A(a)(1), 1028A(b), and 2.)

The bases for my knowledge and for the foregoing charges, are, in part, as follows:

3. I am a Special Agent with the DOL-OIG. I have been personally involved in the investigation of this matter. This affidavit is based on, among other things, my conversations with employees of States and financial institutions, my conversations with other law enforcement officers, my examination of reports and records prepared by law enforcement officers, my review of financial records, and my involvement in this investigation. Because this affidavit is being submitted for the limited purpose of establishing probable cause, it does not include all of the facts that I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

4. Based on my participation in this investigation, I have learned that ELVIN GERMAN, the defendant, has engaged in a scheme to obtain over \$1.4 million in unemployment benefits by

fraudulently filing for unemployment benefits using the names and social security numbers of more than 250 other people.

The COVID-19 Benefits Fraud Scheme

5. Since in or about May 2020, the DOL-OIG and the United States Secret Service ("USSS") have been investigating fraud schemes targeting unemployment insurance benefits during the COVID-19 pandemic.

6. Based on my participation in this investigation and my conversations with other law enforcement agents, including investigators from the NY DOL, I have learned the following, in substance and in part:

a. Unemployment Insurance ("UI") is a state-federal program that provides monetary benefits to eligible lawful workers. In the State of New York, the NY DOL administers the UI program.

b. As part of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, UI eligibility was expanded to provide assistance as a result of the ongoing COVID-19 pandemic. In total, more than \$300 billion in additional federal funds for UI benefits have been appropriated since in or about March 2020 ("COVID-19 Benefits").

7. The NY DOL offers an online website ("the Website") through which applicants can apply for COVID-19 Benefits, among other things, and verify unemployment status as outlined below. In order to apply for COVID-19 Benefits through the Website, an applicant must complete a form that includes, among other things, the applicant's name, date of birth, social security number, and address. In addition, the applicant can direct that the NY DOL send any approved funds to a specific bank account or to a debit card. The debit cards are issued from KeyBank.

8. Based on my participation in this investigation, including my conversations with NY DOL employees, and my review of reports and records prepared by the NY DOL, I have learned the following, in substance and in part:

a. An applicant filing for COVID-19 Benefits through the Website is required to submit an online application. If the application is approved, the applicant is required to log on to the Website on a weekly basis thereafter to verify his/her

continued unemployment status and efforts to seek employment (the "Verification Process").

Fraudulent COVID-19 Applications

9. Based on my participation in this investigation, including my conversations with NY DOL employees, and my review of reports and records prepared by the NY DOL, I have learned the following, in substance and in part:

a. Between in or about May 2020 and in or about February 2021, the NY DOL received certain COVID-19 Benefits applications on behalf of approximately 255 individuals (collectively the "Applications" and individually the "Application").

i. Each Application included unique personal identifying information ("PII") belonging to the Applicant, including, among other things, the Applicant's name, social security number, address, and phone number.

ii. Once the NY DOL approved an Application, a pre-paid debit card was mailed to the home address provided on the Application (the "Pre-paid Card"). Each Pre-Paid Card contained the full amount of benefits requested by an Application from the date the applicant purported to be unemployed to the date of the Pre-paid Card mailing. This amount was often in excess of \$17,000.

b. Between in or about May 2020 and in or about February 2021, the NY DOL mailed approximately 255 Pre-paid Cards to approximately 130 addresses in response to the Applications. These Pre-paid Cards were used by unidentified individuals to receive approximately \$1,483,622 in COVID-19 Benefits.

10. Based on my participation in this investigation, including my conversations with NY DOL employees, and my review of NY DOL database records, I have learned the following, in substance and in part

a. As part of the online COVID-19 Benefits application process, an applicant is required by the NY DOL to select certain security questions and enter answers to those questions. Each of the Applications included the same four security questions and identical responses (the "Security Question Responses") to those questions. One of the four Security Questions chosen for every

one of the Applications asked for the name of the applicant's first pet. On each of the Applications the answer provided was "Benji."

b. Metadata associated with the Applications and the Verification Process associated with these Applications, which was recorded by the Website, indicated that the Applications were either submitted online to the Website or verified on the Website as part of the Verification Process from the same static internet protocol ("IP") address (the "IP Address").¹

c. Between May 2020 and February 2021, the IP Address was used to log into the Website to submit an Application or to complete the Verification Process on more than 3,300 separate occasions—often within minutes of a prior login associated with a different social security number.

The IP Address and the Identification of ELVIN GERMAN

11. Based on my review of internet service provider ("ISP") records, I have learned that from at least May 2020 to October 2020, the IP Address was subscribed to a particular address in the Bronx, New York ("Address-1").²

12. Based on my participation in this investigation, including my conversations with NY DOL employees, and my review of reports and records prepared by the NY DOL, I have learned the following, in substance and in part:

a. On or about May 16, 2020, an Application was submitted in the name of "Elvin German," which listed Address-1 as

¹ Based on my training and experience, I know that an IP address is a unique string of characters that identifies each computer using the IP address to communicate over a network. It is possible for two or more electronic devices to share an IP address if these devices access the internet from a local network ("LAN")—essentially, while users may be using different computers or devices in one location, if these devices are all using the same internet connection, they will share an IP address. Based on the evidence observed during the execution of a judicially-authorized premises search warrant on or about March 16, 2021, and outlined further below, I believe that the IP Address was used by electronic devices operated by GERMAN to submit and/or verify the Applications.

² A subpoena is currently pending for the IP Address subscriber information between November 2020 and the present.

the applicant's home address. Based on the name and Address-1, I believe the "Elvin German" listed in the May 16, 2020 Application is the same ELVIN GERMAN arrested at Address-1 on or about March 16, 2021.

b. GERMAN's Application was the first of the 255 Applications submitted to the NY DOL that was linked to the IP Address through either the Application or the Verification Process.

c. Including GERMAN's Application, 11 of the 255 Applications were submitted using the surname "German."

13. Based on my participation on or about March 16, 2021, in a judicially-authorized search of Address-1, including electronically stored information ("ESI") contained therein, my conversations with other law enforcement officers, my conversations with NY DOL employees, and my review of documents and physical evidence seized at Address-1, I have learned the following, in substance and in part:

a. Law enforcement agents recovered a laptop inside a Louis Vuitton backpack ("Laptop-1") on the floor of GERMAN's bedroom, which he shares with his girlfriend ("Bedroom-1").³ Laptop-1 was in sleep mode. When law enforcement opened Laptop-1, the Website was visible along with what appears is a notepad file with the names and PII of approximately 4 individuals. All four individuals are names of Applicants included among the 255 Applications submitted and/or verified with the IP Address.

b. On a dresser in Bedroom-1 ("Dresser-1"), which contained men's clothing, law enforcement recovered a Louis Vuitton fanny pack and a Louis Vuitton wallet placed on top of Dresser-1. Inside the wallet, law enforcement found an identification document for GERMAN and various credit cards in GERMAN's name. Additionally, law enforcement found a KeyBank debit card issued in a particular name ("KeyBank Card-1").

i. KeyBank Card-1 matches a COVID-19 Benefits application submitted to the NY DOL in or about December 2020 in

³ GERMAN's girlfriend identified Bedroom-1 as being shared by both her and GERMAN. Law enforcement observed the presence of men's clothing in Bedroom-1.

a name that does not match any resident in Address-1.⁴ The NY DOL approved the KeyBank Card-1 application and released approximately \$28,000 in COVID-19 Benefits to KeyBank Card-1.

ii. The KeyBank Card-1 application was submitted and subsequently verified using AT&T and T-Mobile cellular service providers. Based on the seizure of GERMAN's cellphone at or around the time of arrest, I have learned that GERMAN's cellphone service provider is T-Mobile.

c. Inside Dresser-1, law enforcement recovered approximately \$7,000 in cash and more than 40 "GoBank" cards. Based on my training and experience, I know that a "GoBank" card typically has a routing number and account number that enables the owner of the card to transfer funds from online bank accounts to the card and to use the card a credit/debit card.

d. On the floor of Bedroom-1, law enforcement also recovered stacks of paper, which included photocopies of various individuals' driver's licenses and handwritten notes regarding certain PII, such as social security numbers, addresses, and phone numbers.

e. Inside Address-1, law enforcement observed a dog, whose name, Benji, was written on its collar. As described above, each of the Applications provided the name "Benji" in response to a security question asking for the applicant's first pet's name.

14. Based on the foregoing, including (i) ELVIN GERMAN's presence at Address-1 on or about March 16, 2021, which is the subscriber address assigned to the IP Address that is linked to the Applications; (ii) the GERMAN Application listing Address-1 as the applicant's residence; (iii) the recovery of Laptop-1 inside a Louis Vuitton backpack consistent with a Louis Vuitton wallet containing GERMAN's identification card, and Laptop-1's screen contents; (iv) the presence of KeyBank Card-1 inside the wallet; (v) the presence of numerous "GoBank" cards, which can be used to transfer online funds; and (vi) the use of the security answer Benji, I respectfully submit there is probable cause to believe that GERMAN fraudulently submitted and/or verified the Applications.

⁴ KeyBank Card-1 does not correspond to one of the Application identities.

WHEREFORE, deponent respectfully requests that a warrant be issued for the arrest of ELVIN GERMAN, the defendant, and that he be arrested, and imprisoned or bailed, as the case may be.

_/s Timothy Schmidt (By Court
with Authorization)___
TIMOTHY SCHMIDT
Special Agent, DOL-OIG

Sworn to through the transmission of this Affidavit
by reliable electronic means, pursuant to Federal Rules
of Criminal Procedure 41(d)(3) and 4.1, this
17th day of March, 2021



THE HONORABLE SARAH L. CAVE
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK