

UNITED STATES DISTRICT COURT

MIDDLE DISTRICT OF LOUISIANA

**INDICTMENT FOR WIRE FRAUD AND ENGAGING IN UNLAWFUL  
MONETARY TRANSACTIONS AND NOTICE OF FORFEITURE**

UNITED STATES OF AMERICA	:	CRIMINAL NO. 23-25-BAJ-SDJ
	:	
	:	18 U.S.C. § 1343
<i>versus</i>	:	18 U.S.C. § 1957
	:	18 U.S.C. § 981
	:	18 U.S.C. § 982
	:	21 U.S.C. § 853(p)
ADOLPHUS A. OBIOHA	:	28 U.S.C. § 2461

**THE GRAND JURY CHARGES:**

At all times relevant to this Indictment:

1. The defendant, **ADOLPHUS A. OBIOHA**, was a resident of Baton Rouge, Louisiana, within the Middle District of Louisiana.

2. AA Academy & Driving Institution Inc. (“AA Academy”) was a Louisiana business corporation formed in or around 1997 that operated as a driving school. **OBIOHA** was the owner and registered agent of AA Academy. In or around October 2016, the Louisiana Office of Motor Vehicles notified **OBIOHA** that it would not renew the driving school license for AA Academy. Prior to the onset of the COVID-19 pandemic, AA Academy held itself out as a medical transportation business.

3. **OBIOHA** held accounts at Bank 1, including account numbers x5138 (“Account x5138”), x2206, and x0560.

4. AA Academy held account number x5942 at Bank 1 (“Account x5942”).

*Small Business Administration*

5. The United States Small Business Administration (“SBA”) was an executive-branch agency of the United States government that provided support to entrepreneurs and small businesses. The mission of the SBA 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.

6. As part of this effort, the SBA facilitated loans through banks, credit unions, and other lenders. These loans had government-backed guarantees.

*The Economic Injury Disaster Loan Program*

7. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to the millions of Americans who were suffering the economic effects caused by the COVID-19 pandemic.

8. One source of relief provided by the CARES Act was the expansion of an existing disaster-related program, the Economic Injury Disaster Loan (“EIDL”) Program. The EIDL Program was an SBA program designed to provide economic relief to eligible small businesses that were experiencing substantial financial disruption due to the COVID-19 pandemic. Through the EIDL Program, the CARES Act authorized the SBA to provide working capital in the form of low interest, long-term loans. In addition, the CARES Act authorized the SBA to issue advances of up to \$10,000 to small businesses applying for an EIDL. The advances did not have to be repaid.

9. To obtain an EIDL and advance, a qualifying business was required to submit an application to the SBA and provide information about its operations, such as the number of

employees and gross revenues for the 12-month period preceding the date of the disaster (January 31, 2020). Applicants certified that all the information in the application was true and correct to the best of their knowledge.

10. EIDL applications were submitted directly to the SBA. The amount of the loan was determined, in part, on the information provided by the applicant, including information about gross revenues, as described above.

11. Any funds issued under an EIDL or advance were issued directly from the United States Treasury. EIDL funds could be used for working capital to pay fixed debts, payroll, accounts payable, and other necessary business obligations that could not be met as a direct result of the disaster.

***AA Academy EIDL Program Application***

12. On or about June 26, 2020, **OBIOHA** electronically submitted an EIDL Program application to the SBA in the name of AA Academy (the “EIDL Application”). **OBIOHA** signed the EIDL Application and certified that all information in the application and supporting documents was true and correct.

13. Based on **OBIOHA**’s representations in the EIDL Application, and the documents submitted in support thereof, the SBA approved the application and authorized a loan in the amount of \$100,000.

14. On or about July 11, 2020, **OBIOHA** signed a Loan Authorization and Agreement, along with a related Security Agreement, on behalf of AA Academy. In those agreements, among other representations, **OBIOHA** certified that:



- a. “[b]orrower will use all the proceeds of this Loan solely as working capital to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter[;]” and
- b. “none of the Obligations are or will be primarily for personal, family or household purposes[.]”

15. **OBIOHA** electronically signed the Loan Authorization and Agreement under penalty of perjury and certified that he was authorized to apply for and obtain a disaster loan on behalf of AA Academy “in connection with the effects of the COVID-19 emergency.” **OBIOHA** caused the Loan Authorization and Agreement to be electronically transmitted from within the Middle District of Louisiana to SBA’s computer servers located outside the State of Louisiana.

16. Based on **OBIOHA**’s representations, on or about June 30, 2020, the SBA paid an advance in the amount of approximately \$4,000, which was deposited into Account x5942. Then, on or about July 14, 2020, the SBA disbursed approximately \$99,900 in loan proceeds into Account x5942.

#### *Use of EIDL Application Funds*

17. On or about November 12, 2020, after receiving disbursement of the EIDL Application loan proceeds into Account x5942 and transferring the proceeds into Account x5138, **OBIOHA** caused the withdrawal of approximately \$32,500 from Account x5138 to purchase a rental property.

18. From in or around April 2021 through May 2021, after receiving disbursement of the EIDL Application loan proceeds into Account x5942 and transferring the proceeds into Account x5138, **OBIOHA** caused three wire transfers totaling approximately \$12,000 from Account x5138 to a Nigerian national residing overseas.

*AA Academy EIDL Program Request for Modification*

19. On or about April 27, 2021, **OBIOHA** requested a modification of the EIDL Application (the “EIDL Request for Modification”). **OBIOHA** sought to increase the loan amount from \$100,000 to \$411,900.

20. Based on **OBIOHA**’s representations in the EIDL Application and the EIDL Request for Modification, and the documents and information submitted in support thereof, the SBA approved the request and authorized a loan modification, increasing the total loan amount to \$411,900.

21. On or about July 27, 2021, **OBIOHA** signed an Amended Loan Authorization and Agreement, along with an Amended Security Agreement, on behalf of AA Academy. In those amended agreements, among other representations, **OBIOHA** falsely certified that:

- a. “[b]orrower will use all the proceeds of this Loan solely as working capital to alleviate economic injury caused by disaster occurring in the month of January 31, 2020 and continuing thereafter[;]” and
- b. “none of the Obligations are or will be primarily for personal, family or household purposes[.]”

22. **OBIOHA** electronically signed the Amended Loan Authorization and Agreement under penalty of perjury and certified that he was authorized to apply for and obtain a disaster loan on behalf of AA Academy “in connection with the effects of the COVID-19 emergency.” **OBIOHA** caused the Amended SBA Loan Authorization and Agreement to be electronically transmitted from within the Middle District of Louisiana to SBA’s computer servers located outside the State of Louisiana.

23. Based on **OBIOHA**'s representations, the SBA disbursed advances of approximately \$5,000 on or about July 8, 2021, and approximately \$6,000 on or about July 12, 2021, into Account x5942. Then, on or about July 29, 2021, the SBA disbursed approximately \$311,900 in loan proceeds into Account x5942.

*Use of EIDL Request for Modification Funds*

24. On or about August 25, 2021, after receiving disbursement of the EIDL Request for Modification loan proceeds into Account x5942 and transferring the proceeds into Account x5138, **OBIOHA** caused the withdrawal of approximately \$12,000 from Account x5138 to purchase a personal vehicle.

25. From in or around September 2021 through December 2021, after receiving disbursement of the EIDL Request for Modification loan proceeds into Account x5942 and transferring the proceeds into Account x5138, **OBIOHA** caused four wire transfers totaling approximately \$160,000 from Account x5138 to a Nigerian national residing overseas.

**COUNT ONE**  
**Wire Fraud**  
**18 U.S.C. § 1343**

26. Paragraphs 1 through 11 of this Indictment are incorporated herein by reference as factual allegations.

**The Scheme to Defraud**

27. Beginning in or around June 2020, and continuing through at least in or around December 2021, in the Middle District of Louisiana and elsewhere, **ADOLPHUS A. OBIOHA**, the defendant herein, devised and intended to devise a scheme and artifice to defraud the United States, through the SBA, and to obtain Economic Injury Disaster Loan funds to which he was not entitled by means of materially false and fraudulent pretenses, promises, and representations, and



for the purpose of executing the scheme, did knowingly make, and cause to be made, at least one wire communication in interstate commerce.

**Purpose of the Scheme**

28. The purpose of the scheme and artifice was for **OBIOHA** to unjustly enrich himself by obtaining Economic Injury Disaster Loan funds under false and fraudulent pretenses, including by making false statements and representations about his company's operations and the intended use of the loan proceeds.

**Manner and Means**

29. Paragraphs 12 through 25 of this Indictment are hereby re-alleged as the manner and means by which **OBIOHA** sought to accomplish the objects and purpose of the scheme and artifice to defraud.

**The Wiring**

30. On or about July 27, 2021, in the Middle District of Louisiana and elsewhere, **ADOLPHUS A. OBIOHA**, the defendant herein, having devised the scheme described above, for the purpose of executing the scheme, and attempting to do so, did knowingly transmit and cause to be transmitted, by means of wire communication, certain writings, signals, pictures, and sounds in interstate commerce, namely, the electronic submission of an Amended Loan Authorization and Agreement, from within the Middle District of Louisiana to the SBA's computer servers, located outside the State of Louisiana.

The above is a violation of Title 18, United States Code, Section 1343.

**COUNTS TWO THROUGH FOUR**  
**Engaging in Unlawful Monetary Transactions**  
**18 U.S.C. § 1957**

31. Paragraphs 1 through 25 of this Indictment are incorporated herein by reference as factual allegations.

32. On or about the dates specified below, in the Middle District of Louisiana and elsewhere, **ADOLPHUS A. OBIOHA**, the defendant herein, knowingly engaged in monetary transactions by and through a financial institution, affecting interstate and foreign commerce, involving criminally derived property of a value greater than \$10,000, which property was derived from a specified unlawful activity, that is, wire fraud, knowing that the property involved in the monetary transactions was derived from some form of unlawful activity, as set forth below:

Count	Approximate Date	Description
2	August 25, 2021	<b>OBIOHA</b> caused the withdrawal of approximately \$12,000 from Account x5138 for a cashier's check used to purchase a personal vehicle
3	October 4, 2021	<b>OBIOHA</b> caused the wire transfer of approximately \$40,000 from Account x5138 to a Nigerian national residing overseas
4	October 13, 2021	<b>OBIOHA</b> caused the wire transfer of approximately \$100,000 from Account x5138 to a Nigerian national residing overseas

Each of the above is a violation of Title 18, United States Code, Section 1957.

**NOTICE OF FORFEITURE**

33. Paragraphs 1 through 32 of this Indictment are incorporated herein by reference as factual allegations.

34. Upon conviction of the offense alleged in Count 1 of this Indictment, **ADOLPHUS A. OBIOHA**, the defendant herein, shall forfeit to the United States, pursuant to 18 U.S.C. §



981(a)(1)(C) and 28 U.S.C. § 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the offenses, including but not limited to:

- a. \$133,792.38 in funds seized from account number x5138 held by **OBIOHA** at Bank 1;
- b. \$2,391.08 in funds seized from account number x2206 held by **OBIOHA** at Bank 1;
- c. \$25.91 in funds seized from account number x0560 held by **OBIOHA** at Bank 1; and
- d. \$24.72 in funds seized from account number x5942 held by **OBIOHA** at Bank 1.

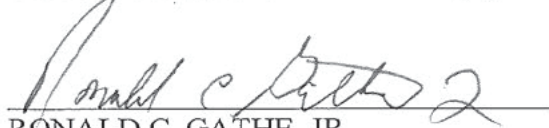
35. Upon conviction of the offenses alleged in Counts 2 through 4 of this Indictment, **ADOLPHUS A. OBIOHA**, the defendant herein, shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(1), all property, real and personal, involved in such offense, or any property traceable to such property.

36. If any of the above-described forfeitable property, because of any act or omission 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;

it is the intent of the United States to seek a forfeiture money judgment and, pursuant to 21 U.S.C. § 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

UNITED STATES OF AMERICA, by

  
RONALD C. GATHE, JR.  
UNITED STATES ATTORNEY

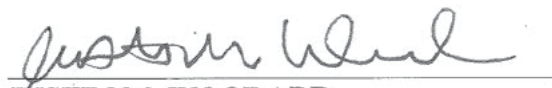
A TRUE BILL

**REDACTED**  
**PER PRIVACY ACT**  
GRAND JURY FOREPERSON

  
CAROLINE B. GARDNER  
ASSISTANT UNITED STATES ATTORNEY

3/30/23  
DATE

GLENN S. LEON  
CHIEF  
CRIMINAL DIVISION, FRAUD SECTION  
UNITED STATES DEPARTMENT OF JUSTICE

  
JUSTIN M. WOODARD  
ASSISTANT CHIEF  
CRIMINAL DIVISION, FRAUD SECTION  
UNITED STATES DEPARTMENT OF JUSTICE

**Criminal Cover Sheet****U.S. District Court**

Place of Offense:

Matter to be sealed:



Yes



No

City: Baton Rouge

Related Case Information:

County/Parish: East Baton Rouge

Superseding \_\_\_\_\_ Docket Number \_\_\_\_\_

Same Defendant \_\_\_\_\_ New Defendant \_\_\_\_\_

\*Investigating Agency: FBI & TIGTA

Magistrate Case Number: \_\_\_\_\_

Search Warrant Case No.: \_\_\_\_\_

\*Agent: FBI SA Jordan Anderson

R 20/ R 40 from District of: \_\_\_\_\_

Any Other Related Cases: \_\_\_\_\_

**Defendant Information:**Defendant Name: Adolphus A. Obioha

Alias: \_\_\_\_\_

Address: \_\_\_\_\_

Birthdate: \_\_\_\_\_ SS #: \_\_\_\_\_ Sex: \_\_\_\_\_ Race: \_\_\_\_\_ Nationality: \_\_\_\_\_

**U.S. Attorney Information:**AUSA: Caroline B. GardnerBar #: LBN 33842

Interpreter:



Yes



No

List language and/or dialect: \_\_\_\_\_

**Location Status:**

Arrest Date \_\_\_\_\_

\_\_\_\_\_  
Already in Federal Custody as of\_\_\_\_\_  
Already in State Custody\_\_\_\_\_  
On Pretrial Release**U.S.C. Citations:**Total # of Counts: 4

<u>Code</u>	<u>Description of Offense Charged</u>	<u>Count(s)</u>	<u>Petty/ Misdemeanor/ Felony</u>
18 U.S.C. § 1343	Wire Fraud	1	F
18 U.S.C. § 1957	Engaging in Unlawful Monetary Transactions	2-4	F
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(May be continued on second sheet)

Date: 3/30/2023Signature of AUSA: Caroline B. Gardner