

UNITED STATES DISTRICT COURT

for the Eastern District of California

FILED Dec 06, 2021 CLERK, U.S. DISTRICT COURT EASTERN DISTRICT OF CALIFORNIA

United States of America v.)

ERIC MICHAEL JAKLITSCH)

Case No. 2:21-mj-0182 DB

SEALED

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of December 2020 in the county of Sacramento in the Eastern District of California, the defendant(s) violated:

Table with 2 columns: Code Section, Offense Description. Rows include COUNT ONE through COUNT FIVE, all listing 18 USC §1343 (wire fraud) in or about December 2020.

This criminal complaint is based on these facts:

(see attachment)

[X] Continued on the attached sheet.

/s/ Christina Wang

Complainant's signature

Special Agent Christina Wang

Printed name and title

Sworn to before me and signed in my presence.

Date: December 6, 2021

City and state: Sacramento, California

Handwritten signature of Deborah Barnes and printed name: DEBORAH BARNES UNITED STATES MAGISTRATE JUDGE

**AFFIDAVIT IN SUPPORT OF AN APPLICATION FOR A CRIMINAL COMPLAINT
AND ARREST WARRANT**

I, Special Agent Christina Wang, being duly sworn, depose and state the following:

PURPOSE

1. I make this affidavit in support of a criminal complaint and arrest warrant for ERIC MICHAEL JAKLITSCH for multiple violations of 18 U.S.C. § 1343 (Wire Fraud) (the “Subject Offenses”).

INTRODUCTION AND AGENT BACKGROUND

2. I am a Special Agent (“SA”) with the United States Department of Labor (“DOL”), Office of Inspector General (“OIG”), Office of Investigations-Labor Racketeering & Fraud, and have served in this capacity since July 2020. I am currently assigned to the Sacramento Field Office. My responsibilities as a DOL-OIG Special Agent include investigating unemployment insurance fraud, mail fraud, identity theft, as well as other related crimes. I am a graduate of the Federal Law Enforcement Training Center (“FLETC”) in Glynco, Georgia. As part of the training provided at FLETC, I successfully completed the Basic Training course, which included, but was not limited to, courses in criminal and constitutional law, fraud investigations, and law enforcement operations. My prior employment includes conducting investigations as an Investigator with the DOL Employee Benefits Security Administration and healthcare fraud investigations. I also worked as a Senior Investigator with Blue Shield of California’s Special Investigations Unit for nearly four years. I am a Certified Fraud Examiner with the Association of Certified Fraud Examiners, and I am a Certified Professional Coder for medical coding with the American Academy of Professional Coders.

3. The facts and conclusions in this affidavit are based on my personal knowledge gained from my participation in this investigation, my training and experience, and information gained from other federal agents, local law enforcement, and field contacts and reports. Since this affidavit is submitted for the limited purpose of obtaining search warrants, I have not included all the facts of which I am aware in this investigation.

4. Where statements made by other individuals are referenced in this Affidavit, such statements are described in sum and substance and in relevant parts only. Similarly, where information contained in reports and other documents or records is referenced in this Affidavit, such information is also described in sum and substance and in relevant parts only.

STATEMENT OF PROBABLE CAUSE

Summary of Probable Cause

5. The Federal Bureau of Investigation (FBI), DOL-OIG, Department of Homeland Security - Office of Inspector General (DHS-OIG) and California Employment Development Department (EDD) are conducting a joint investigation of JAKLITSCH, a New Jersey-based individual who is suspected of defrauding the unemployment insurance (UI) system of the California Employment Development Department (EDD). An analysis of UI data revealed a scheme in which JAKLITSCH is suspected of filing, or causing to be filed, fraudulent UI claims with the California EDD using the personal identifying information (PII) of identity theft victims. Below is a photo of JAKLITSCH from his 2019 New State driver's license:



2019 New York DMV Photo of JAKLITSCH

6. There is probable cause to believe that JAKLITSCH submitted at least 78 fraudulent UI benefit claims to California EDD, which caused debit cards containing UI benefits to be mailed to his residence in New Jersey and various addresses across California, including addresses in the Eastern District of California. JAKLITSCH is suspected then of gaining possession of the UI debit cards, which he then took to ATMs in and around New Jersey, where video surveillance recorded him withdrawing the UI benefits in bulk cash. The below sample Photos 1 and 2 are further detailed later in this affidavit.



Photo 1: JAKLITSCH at an ATM in New Jersey in Jan. 2021 Withdrawing Cash Using a Fraudulent UI Debit Card in the Name of Victim F.H.

7. Furthermore, to keep the UI claims active and paying, there is probable cause to believe that JAKLITSCH submitted fabricated identity documents and “selfie” photos disguised as identity theft victims. In these photos, JAKLITSCH is repeatedly presented as a white male with a beard approximately two inches in length, and a puffy, light brown curly wig. In at least 78 UI claims, JAKLITSCH presents himself the same way, regardless of the ID theft victim’s age or sex. This practice of submitting fake identity documents and disguised photos, also known as “synthetic identity fraud,” allowed JAKLITSCH to pass EDD’s identity verification process on some of the fraudulent UI claims, caused EDD to approve the fraudulent UI claims, and caused EDD to continue making payments on the claims.



Photo 2: Photo Submitted Dec. 2020 via EDD's ID Verification System, Wherein JAKLITSCH Posed as Female Victim F.H.

8. To date, the suspected dollar loss to the state of California is more than \$900,000 with an attempted loss of more than \$2.5 million. This estimate is based on the loss amount associated with the 78 fraudulent UI claimed submitted to California EDD, of which approximately 68 were approved and funded. These 78 claims were linked to JAKLITSCH by one or more methods including, without limitation: (1) the use of a fraudulent ID and selfie photo for ID verification, (2) the use of a physical or email address linked to his UI claims, and/or (3) the use of a phone number linked to his UI claims. Examples of just some of these fraudulent UI claims are discussed in more detail below.

9. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that JAKLITSCH violated or aided and abetted a violation of at least 18 U.S.C. § 1343 (Wire Fraud).

Overview of Pandemic-Related UI Programs

10. Unemployment Insurance is a state-federal program that provides monetary benefits to eligible lawful workers. Although state workforce agencies (SWAs) administer their respective UI programs, they must do so in accordance with federal laws and regulations. UI

payments (“benefits”) are intended to provide temporary financial assistance to lawful workers who are unemployed through no fault of their own. Each state sets its own additional requirements for eligibility, benefit amounts, and length of time benefits can be paid. Generally, UI weekly benefit amounts are based on a percentage of your earnings over a base period. In the State of California, the EDD administers the UI program, which is based in Sacramento, California.

11. On March 18, 2020, the Families First Coronavirus Response Act (FFCRA) was signed into law. Pandemic Unemployment Compensation (“FPUC”).

12. The first program, PUA, initially provided for up to 39 weeks of benefits to individuals who are: (1) self-employed, seeking part-time employment, or otherwise would not qualify for regular UI or extended benefits under state or federal law or PEUC under section 2107 of the CARES Act; and (2) unemployed, partially unemployed, unable to work, or unavailable to work due to COVID-19 related reason(s). Coverage includes individuals who have exhausted all rights to regular UC or extended benefits under state or federal law or PEUC. Under the PUA provisions of the CARES Act, business owners, self-employed workers, independent contractors, or gig workers can qualify for PUA benefits administered by the California EDD if they previously performed such work in California and are unemployed, partially unemployed, unable to work, or unavailable to work due to COVID-19. PUA claimants must answer specific questions to establish their eligibility for PUA benefits. Claimants must provide their name, Social Security Number (SSN), and mailing address and self-certify that they meet one of the COVID-19 related reasons for being unemployed, partially unemployed, or unable or unavailable to work. Initially, the eligible timeframe to receive PUA was from weeks of unemployment beginning on or after January 27, 2020 through December 31, 2020.

13. The second program, PEUC, initially provided for up to 13 times the individual’s average weekly benefit amount to individuals who have exhausted regular UI under state or federal law, have no rights to regular UI under any other state or federal law, are not receiving UI under the UI laws of Canada, and are able to work, available for work, and actively seeking

work. However, states must offer flexibility in meeting the “actively seeking work” requirement if individuals are unable to search for work because of COVID-19, including because of illness, quarantine, or movement restriction. The eligible timeframe to receive PEUC was from weeks of unemployment beginning after the respective state has an established agreement with the federal government through December 31, 2020. The earliest being April 5, 2020.

14. The third program, FPUC, provides individuals who are collecting regular UI, PEUC, PUA, and several other forms of UC with an additional \$600 per week. The eligible timeframe to receive FPUC was from weeks of unemployment beginning after the respective state had an established agreement with the federal government through July 31, 2020. The earliest being April 5, 2020.

15. On August 8, 2020, after FPUC expired, a Presidential Memorandum authorized the Federal Emergency Management Agency (FEMA) to use disaster relief funds pursuant to Section 408, Other Needs Assistance, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207, to provide supplemental payments for lost wages to help ease the financial burden on individuals who were unemployed because of COVID-19. The Lost Wages Assistance Program (LWA) served as a temporary measure, if SWAs chose to administer it, to provide an additional \$300 per week via a total of approximately \$42.5 billion in FEMA funds. The period of assistance for LWA was August 1, 2020 to December 27, 2020, or termination of the program, whichever was sooner.

16. Then, on December 27, 2020, the Consolidated Appropriations Act, 2021—an omnibus spending bill that included an estimated additional \$200 billion in funding for pandemic related UI programs — was signed into law. Through a section titled the Continued Assistance for Unemployed Workers Act of 2020 (“Continued Assistance Act”), Congress extended and modified the three temporary UI programs created by the CARES Act and created a new benefit program.

17. The Continued Assistance Act increased the duration and availability of both PEUC, which provides benefits to individuals who have exhausted their state unemployment

benefits, and PUA, which provides unemployment compensation to independent contractors and others unable to access traditional UI benefits. Specifically, the Continued Assistance Act extended PEUC and PUA through March 14, 2021. Additionally, the duration of PUA benefits for eligible individuals was effectively extended from 39 weeks under the CARES Act to a total of 50 weeks; the amount of PEUC benefits for eligible individuals was extended from 13 to 24 times the individual's average weekly benefit amount.

18. On March 11, 2021, as the relief benefits authorized by the Continued Assistance Act were about to expire, the President signed the American Rescue Plan Act of 2021, which included an estimated \$203 billion in additional relief, including reauthorization of PUA, FPUC, PEUC, and MEUC. Under the American Rescue Plan Act, PUA and PEUC were extended, without interruption, to weeks of unemployment ending on or before September 6, 2021, thereby allowing eligible individuals to collect PUA and PEUC benefits for an additional 29 weeks (79 weeks total for PUA and 53 times the individual's average weekly benefit amount for PEUC).

19. Regardless of which of the three programs described above was involved (that is, whether PUA, PEUC, or FPUC), funds were distributed to program participants by the California EDD. These funds were received by the EDD from the United States Department of the Treasury ("Treasury") through Treasury's program entitled Automated Standard Application for Payments, commonly referred to as "ASAP."

California's Unemployment Insurance System, ID.me, and Associated Interstate Wires

20. In California, a UI claim can be filed online on the EDD website, and this is typically accomplished using a desktop or laptop computer, a smartphone or tablet, or a similar electronic device that can access the Internet. When an individual files a UI claim, the EDD automatically maintains certain information regarding the filing of the claim. This information includes the date and time the claim was submitted, the name of the person for whom the claim was filed, and the IP address of the computer, or ISP account, that was used to file the claim.

21. UI claimants must answer various questions to establish their eligibility for UI benefits. Claimants must provide their name, SSN, and mailing address. The claimants must also identify a qualifying occupational status and/or COVID-19 related reason for being out of work.

22. After EDD accepts a UI claim, EDD typically deposits UI funds every two weeks to an Electronic Bill Payment (EBP) debit card administered by Bank of America (BoFA), which claimants can use to pay for their expenses. The EBP card is sent via the U.S. Postal Service to the claimant at the address the claimant provides in their UI claim. Claimants can activate their debit card over the phone or online. To activate a card, a claimant must create a BoFA unemployment user profile, which captures certain data including, but not limited to, the EDD claim number, claimant SSN, and address where card was mailed.

23. After EDD accepts a UI claim, the EDD transmits via electronic wire UI claim information to Bank of America (BoFA). EDD, using servers located in Rancho Cordova, California and Sacramento, California (in the Eastern District of California), sends claimant information and payment information to BoFA servers located in California. BoFA then conducts an interstate electronic wire transmission of this data to the servers of the card processor, Visa DPS, located in Virginia and Colorado.

24. When receiving regular UI benefits, claimants must complete a Continued Claim Form (DE 4581) and certify every two weeks, under penalty of perjury, that they remain unemployed and eligible to receive UI benefits. EDD authorizes and deposits payment to the EBP debit card after it receives the Continued Claim Form.

25. When the EDD needs to verify the identity of the claimant, the EDD issues an “ID Alert” on a UI claim. Since approximately September 2020, the EDD has outsourced the identity verification process to a private vendor called ID.me. When an ID Alert has been issued, the EDD sends the claimant a Request for Information (Form DE 1326E), which informs the claimant “the EDD is unable to issue benefits payments, or lift the temporary suspension of your benefits, until you provide identity verification documents.” Furthermore, the claimant is informed that “Failure to comply with this request for identity verification documents or request

more time within 10 calendar days from the mail date of this notice may result in a denial of benefits.” To comply, the claimant must visit the EDD website and login to their account. When prompted, the claimant will then login, or create a new, to ID.me account. On the ID.me website, claimants must verify their email address, and submit a clear copy of a government-issued ID and social security verification. The claimant is then prompted to submit a “selfie” of their face. This information is submitted to ID.me, which receives the data in its servers in Virginia or Ohio. ID.me uses this information (and other data) to verify the claimant’s identity, which is material to the UI application and approval process. If the claimant’s submission passes or fails to pass ID.me’s verification process, ID.me transmits an interstate, electronic wire from its servers located outside of California to the EDD’s servers located with the Eastern District of California. The reasons why the claimant may be ineligible for UI benefits are the following: (a) Claimant did not respond to the DE 1326E; or (b) documents provided were not clear to make an eligible determination; or (c) documents provided were insufficient and did not prove the claimant’s identity.

26. The Unemployment Insurance is a federal-state program that is financed by employers who pay unemployment taxes based on employee wages paid to their workers. Part of the employers’ taxes goes directly to the federal government to pay for the administration of the UI Program. The greater portion goes into a special UI Trust Fund (UTF) from which benefit payments are made to workers who are unemployed. Each state has its own Unemployment Insurance (UI) trust fund within the United States Treasury. EDD’s accounting office, in Sacramento, California in the Eastern District of California, electronically requests these UI benefit funds via Fed Wire every day from the US Treasury, except weekends and state holidays. EDD’s accounting office submits documentation to the California State Controller’s Office to prepare a warrant made payable to the BofA to cover the UI benefit payments that will be paid via electronic benefit payment process. The warrants are taken to the State Treasurer’s Office, who makes the wire transfer payment to the BofA.

27. Based on my training and experience, I know that criminal actors who seek to defraud California EDD's UI program:

- (a) Defraud the UI program by using stolen PII to file UI claims;
- (b) Cause the UI debit cards to be mailed to various addresses to prevent tipping off the government to their fraudulent activity;
- (c) Submit false identity verification cards and documents; and
- (d) Mask the Internet Protocol ("IP") address, or file fraudulent UI claims at various physical locations to conceal their identity.

Federal Agents' UI Fraud Investigation Identifying JAKLITSCH

28. In or around December 2020, this investigation team learned that an unknown individual had responded to a California EDD ID Alert by submitting fake identity documents for at least 78 California EDD UI claims. An internal investigation conducted by ID.me – a private company used by the EDD for ID verification of claimants – identified the subject as JAKLITSCH and referred the case to federal law enforcement.

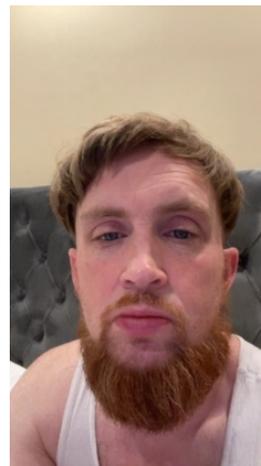
JAKLITSCH Background

29. Based on the following facts, federal agents have determined that JAKLITSCH resided at an official address and apartment at 640 Westfield Ave, Apartment 6, Elizabeth, New Jersey (the "640 Westfield Ave. Apartment") from at least as early as October 2020 and continuing through the present, which was a location of criminal activity including the Subject Offenses during the time he resided there.

30. New York DMV records show that in 2019 JAKLITSCH was issued a New York state driver's license under which he lists a home address in Sayville, New York. A public records search indicates that this address in Sayville has been connected to JAKLITSCH since approximately October 2000 and is also the likely home of a female with the last name JAKLITSCH who was born in 1948. A Google Maps photo of this home from November 2019 shows a sign on the front of the home that reads, "JAKLITSCH FAMILY." The investigation

interprets these facts to mean that the address in Sayville, New York is the home of JAKLITSCH's mother and that he occasionally uses this address for official records.

31. On or around May 26, 2020, JAKLITSCH filed a UI claim in the State of New York stating that he was self-employed at a company he operates called Slomins Inc. On the claim, JAKLITSCH listed his address as Sayville, New York. To verify his identity, as shown below, JAKLITSCH uploaded his currently valid New York driver's license and a selfie photo to an ID.me¹ account created in his name. In the photos, JAKLITSCH is presented as a white male, 5'8", approximately 40 years old, with a light brown beard approximately two inches in length with a full head of short, straight light brown hair.



ID Verification Images (PII Redacted) Submitted for JAKLITSCH's New York UI Claim

32. While the investigation understands that JAKLITSCH uses an address in Sayville, New York, the investigation has also learned that JAKLITSCH currently resides at the 640 Westfield Ave. Apartment, and there is probable cause that he has used it to facilitate the Subject Offenses. Federal agents determined JAKLITSCH's residence based on at least the following information:

- a. In October 2021, federal agents interviewed the U.S. Postal Service mail carrier who regularly delivered mail to the apartment complex at 640 Westfield Avenue, Elizabeth, NJ, and he/she confirmed that mail delivered

¹ ID.me also contracts with the State of New York to assist with UI claimant identity verification.

to Eric JAKLITSCH was addressed to the 640 Westfield Ave. Apartment. The mail carrier also indicated that mail was delivered to that same address for multiple other people's names. On or about December 3, 2021, federal agents confirmed with the local U.S. Post office that JAKLITSCH is still receiving mail at the 640 Westfield Ave. Apartment.

- b. Avis/Budget records show that JAKLITSCH rented a white Toyota Camry (Texas License Plate NBP9351) on November 12, 2021. On December 2, 2021, FBI agents identified this same vehicle at the 640 Westfield Avenue complex parked in space number 6. Based on the number of parking spots and apartments in the complex, it appears that the parking spot numbers correspond to the apartment numbers. At approximately 12:20 pm, federal agents observed JAKLITSCH enter the Camry and exit the 640 Westfield Ave. Apartment parking lot.²
- c. On June 8, 2021, federal agents conducted surveillance of the 640 Westfield Avenue complex, which comprises approximately 10 apartments including the 640 Westfield Ave. Apartment. Agents observed a white male whom they identified as JAKLITSCH exit the complex. One agent in plain clothing struck up a conversation with JAKLITSCH, and JAKLITSCH stated his name was "Eric" and that he lived in Apartment 3.³
- d. Walmart records show that in October 2020 JAKLITSCH made an online purchase at Walmart and requested that it be delivered to the 640 Westfield Ave. Apartment under his name.

² At no point during FBI's surveillance history did agents observe JAKLITSCH park in a different spot at the 640 Westfield Ave. apartment complex.

³ Public records searches, law enforcement databases, and other facts contained in this Affidavit indicate that JAKLITSCH resides in Apartment #6. While JAKLITSCH stated that he resided in Unit #3, the investigation concludes that JAKLITSCH did not want to disclose his true unit number to an unknown individual whom he had not met before.

33. According to recent BofA records, at least 18 fraudulent EDD-BofA debit cards (associated with nine different claimants) were mailed to the 640 Westfield Ave. Apartment. Each card was issued based on a fraudulent claim that federal agents have linked to JAKLITSCH via his photo or a common email address or phone number. On September 3, 2021, two of these debit cards (issued under identity-theft victims D.R. and R.T.) were used at an ATM less than two miles from the 640 Westfield Ave. Apartment, and ATM surveillance shows a white male resembling JAKLITSCH using the cards to make cash withdrawals.

COUNT ONE: Fraudulent UI Claim in Name of Victim F.H.

34. On or around December 17, 2020 a fraudulent UI claim was filed with the EDD in the name of F.H. The claim stated that F.H. was laid off due to a COVID-19 diagnosis. The UI claim further states that F.H. worked as a “Bank Tellers” [sic] and “Children’s Zoo Caretaker,” which earned the claimant \$124,000 in wages in the year 2019. The claim listed F.H.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed F.H.’s home address as an address in Sacramento, California.

35. In addition, on or around December 17, 2020, an account with ID.me was created in the name of F.H. On that date, to verify the identity of the UI claimant, the below images were uploaded to the ID.me account in the name of F.H., including a fake driver’s license that presents F.H. as JAKLITSCH: a white male, 5’8’’, with light brown curly hair and a beard. Notably, the fake New York State driver’s license fails to list a complete home address as there is no city identified. Accompanying the driver’s license image for ID verification was a matching selfie photo of JAKLITSCH in which he is presented as a white male, approximately 40 years old with a light brown beard approximately two inches in length and wearing a light brown curly wig. This fraudulent submission resulted in a false verification of F.H.’s identity and caused ID.me to transmit an interstate wire communication to EDD’s servers in the Eastern District of California, which included, without limitation, material information about the ID verification.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of F.H.

36. Based in part on the ID verification from ID.me, the EDD accepted the claim on or around December 27, 2020 and began paying benefits. On that date, BofA mailed the EDD debit card ending in 8779 to an apartment in Sacramento, California. On January 12, 2021, the EDD debit card was activated by the user. Between January 13, 2021 and February 9, 2021, the EDD debit card in the name of F.H. was used to conduct at least 29 ATM cash withdrawals totaling approximately \$28,200 at various BofA locations in New Jersey. From January 20, 2021 to February 7, 2021, BofA received three phone calls from phone number 470-469-5056⁴ related to the EDD debit card in the name of F.H.

37. The investigation obtained some surveillance images of the person who conducted the ATM transaction using the EDD debit card in the name of F.H. on January 27, 2021 at approximately 20:25 MT⁵. The transaction occurred at a BofA branch located at 101 S Ave. W, Cranford, New Jersey, which is approximately four miles from the 640 Westfield Ave. Apartment. The photo below depicts a white male who appears to be JAKLITSCH with a light brown beard approximately two inches in length wearing a black puffy winter coat withdrawing \$1,000 in cash.

⁴ Public source records do not show JAKLITSH as the owner of this number.

⁵ BofA transactions dates and times are recorded in Mountain Time. Timestamps on ATM surveillance footage are recorded in the time zone in which the ATM is located.



January 27, 2021, BofA ATM Surveillance Image, Cranford, NJ, at 22:24 EST

38. In total, the EDD paid \$28,200 in fraudulent UI benefits in the name of F.H. to the EDD debit card ending in 8779.

COUNT TWO: Fraudulent UI Claim in Name of Victim J.B.

39. On or around December 16, 2020, a fraudulent UI claim was filed with the EDD in the name of J.B. The claim stated that J.B. was laid off due to a COVID-19 diagnosis. The UI claim further stated that J.B. previously worked as an “Aqua Fitness Instructor,” which earned the claimant \$105,000 in annual wages. The claim listed J.B.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed J.B.’s home address as an address in Sacramento, California.

40. To verify the identity of the UI claimant, an ID.me account was created in the name of J.B. on or around December 16, 2020. On that date, the below images of a fake South Carolina driver’s license and a selfie were uploaded to ID.me. The fake South Carolina driver’s license presents J.B. as JAKLITSCH: a white male, 5’8” with a light brown beard approximately two inches in length. Accompanying the driver’s license image for ID verification was a matching selfie photo of JAKLITSCH with a light brown beard approximately two inches in length and wearing a light brown curly wig. This fraudulent submission resulted in a false verification of J.B.’s identity and caused ID.me to transmit an interstate wire communication to

EDD's servers in the Eastern District of California, which included, without limitation, material information about the ID verification.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of J.B.

41. Based in part on the ID verification from ID.me, the EDD accepted the claim on or around December 27, 2020 and began paying benefits. The next day, on or around December 28, 2020, BofA mailed the EDD debit card ending in 6277 to an address in Sacramento, California. On January 21, 2021, the EDD debit card was activated by the user. Between January 22, 2021 and February 10, 2021, the EDD debit card in the name of J.B. was used to conduct at least nine ATM cash withdrawals totaling approximately \$9,000 at various BofA locations in New Jersey. Between January 20, 2021 and February 7, 2021, BofA received four phone calls from phone number 470-469-5056 (the same phone number used for F.H.'s fraudulent UI claim) related to the EDD debit card in the name of J.B.

42. On or around February 8, 2021, a white male resembling JAKLITSCH, and wearing a similar black puffy winter coat to the one he was seen wearing in the F.H. ATM surveillance photo, used the 6277 EDD debit card in the name of J.B. to withdraw \$1,000 in cash. The transaction occurred at a BofA branch located at 1 Firehouse Plaza, Hoboken, New Jersey, which is approximately 16 miles from the 640 Westfield Ave. Apartment.



February 8, 2021, BofA ATM Surveillance Image, Hoboken-Firehouse Plaza ATM, NJ, at 22:22 EST

43. In total, the EDD paid approximately \$29,700 in fraudulent UI benefits in the name of J.B to the EDD debit card ending in 6277.

COUNT THREE: Fraudulent UI Claim in Name of Victim M.R.

44. On or around December 17, 2020, a fraudulent UI claim was filed with the EDD in the name of M.R. The claim stated that M.R. was laid off due to a COVID-19 diagnosis. The UI claim further stated that M.R. previously worked as a “Director, Museum or Zoo” and also has job skills as a “Chauffeur, Funeral Car.” The claim listed M.R.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed M.R.’s home address as an address in Sacramento, California.

45. To verify the identity of the UI claimant, an ID.me account was created in the name of M.R. on or around December 17, 2020. On that date, the below images of a fake New York driver’s license and a selfie were uploaded to ID.me. The New York driver’s license presents M.R. as JAKLITSCH: a white male, 5’8” with a light brown beard approximately two inches in length. The address on the driver’s license is in Bayshore, New York. Accompanying the driver’s license image for ID verification was a matching selfie photo of JAKLITSCH with a light brown beard approximately two inches in length and wearing a light brown curly wig. This fraudulent submission resulted in a false verification of M.R.’s identity and caused ID.me to

transmit an interstate wire communication to EDD's servers in the Eastern District of California, which included, without limitation, material information about the ID verification.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of M.R.

46. Based in part on M.R.'s ID verification from ID.me, the EDD accepted the claim on or around December 27, 2020 and began paying benefits. The next day, on or around December 27, 2020, BofA mailed the EDD debit card ending in 5563 to an apartment in Sacramento, California. On January 12, 2021, the EDD debit card was activated by the user. Between January 13, 2021 and February 9, 2021, the EDD debit card in the name of M.R. was used to conduct at least 24 ATM cash withdrawals totaling approximately \$24,000 at various BofA locations in New Jersey.

47. On or around January 17, 2021 at approximately 20:50 MT, a white male wearing a similar black puffy winter coat to the one JAKLITSCH was seen wearing in the F.H. and J.B. ATM surveillance images used the EDD debit card in the name of M.R. to withdraw \$1,000 in cash. The transaction occurred at a BofA branch located at 269 Main St, Chatham, New Jersey, which is approximately 14 miles from the 640 Westfield Ave. Apartment. In another surveillance image taken during this transaction, the white male at the ATM can be seen wearing a white baseball hat similar to the one in the ATM image detailed above for Victim J.B.



January 17, 2021, BofA ATM Surveillance Image, Chatham Main, NJ, at 22:50 EST

48. According to rental car records, JAKLITSCH was renting a black Volkswagen Passport at the time the above surveillance image was taken. A vehicle with the same body type and wheels as the black Volkswagen Passport stock photo (below) is visible in the background of the ATM image from January 17, 2021 transaction at BofA Chatham Main.



Left: Close-up of vehicle in ATM image – Right: Stock photo of a black Volkswagen Passport

49. In total, the EDD paid \$28,200 for the UI claim in the name of M.R. to the EDD debit card ending in 5563.

UI Claims Linked to JAKLITSCH'S Residence

50. According to BofA records, as described in more detail below, at least nine EDD UI debit cards in names other than JAKLITSCH were mailed to the 640 Westfield Ave. Apartment between approximately November 6, 2020 and February 9, 2021.

COUNT FOUR: Fraudulent UI Claim in Name of Victim C.R.

51. On or around December 17, 2020, a fraudulent UI claim in the name of C.R. was filed with the EDD. The claim stated that C.R. was laid off due to having COVID-19 symptoms. The UI claim further stated that C.R. had worked as a “Chauffeur,” and also had job skills as a “Zoologist.” The claim listed C.R.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed C.R.’s home address as an address in Los Angeles, California.

52. To verify the identity of the UI claimant, an ID.me account was created in the name of C.R. on or around December 17, 2020. On that date, the below images of a fake South Carolina driver’s license and a selfie were uploaded to ID.me. The South Carolina driver’s license presents C.R. as JAKLITSCH: a white male, 5’8” with a light brown beard approximately two inches in length. Accompanying the driver’s license image was a matching selfie photo of JAKLITSCH with a light brown beard approximately two inches in length and wearing a light brown curly wig. This fraudulent submission resulted in a false verification of C.R.’s identity and caused ID.me to transmit an interstate wire communication to EDD’s servers in the Eastern District of California, which included, without limitation, material information about the ID verification.



ID Verification Images (PI Redacted) Submitted for UI Claim in Name of C.R.

53. Based in part on the ID verification from ID.me, the EDD approved the claim on or around December 27, 2020 and began paying benefits. On or around that same date, BofA mailed an EDD debit card ending in 7867 in the name of C.R. to an address in Los Angeles, California. BofA records indicate that this card was never activated. EDD records indicate that on or around February 7, 2021, C.R.’s home address was updated to the 640 Westfield Ave. Apartment. BofA records then show that on or around February 9, 2021, EDD debit card ending in 1713 in the name of C.R. was mailed to the 640 Westfield Ave. Apartment. This card was activated on or around February 11, 2021.

54. On or around February 15, 2021, the 1713 EDD debit card in the name of C.R. was taken to a BofA Westfield branch located at 173 Elm St., Westfield, New Jersey, which is approximately six miles from the 640 Westfield Ave. Apartment. At approximately 20:57 MT, \$1,000 in cash was withdrawn from the card. ATM surveillance images show a white male resembling JAKLITSCH, wearing a white baseball hat and a black coat displaying The North Face logo with a grey hoodie underneath. The photo also shows the man holding a stack of cash. The man’s light brown beard, approximately two inches in length, is visible from his surgical mask.



February 15, 2021, BofA ATM Surveillance Image, Westfield, NJ, at 22:57 EST

55. In total, the EDD paid approximately \$32,700 in fraudulent UI benefits for the benefit of C.R.

COUNT FIVE: Fraudulent UI Claim in Name of Victim G.K.

56. On or around December 17, 2020, a UI claim was filed with the EDD in the name of G.K. The claim stated that G.K. was laid off due to a COVID-19 diagnosis. The UI claim further stated that G.K. previously worked as a “Bank Teller,” and also has job skills as a “Chauffeur.” The claim listed G.K.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed G.K.’s home address as and address in Los Angeles, California.

57. To verify the identity of the UI claimant, an ID.me account was created in the name of G.K. on or around December 17, 2020. On that date, the below images of a fake South Carolina driver’s license and a selfie were uploaded to ID.me. The South Carolina driver’s license presents C.R. as JAKLITSCH: a white male, 5’8” with a light brown beard approximately two inches in length. The address on the driver’s license is in Goose Creek, South Carolina, which is the same address on the driver’s license in the name of C.R. (discussed above). Accompanying the driver’s license image was a matching selfie photo of JAKLITSCH with a light brown beard approximately two inches in length and wearing a light brown curly wig. This fraudulent submission resulted in a false verification of G.K.’s identity and caused ID.me to transmit an interstate wire communication to EDD’s servers in the Eastern District of California, which included, without limitation, material information about the ID verification.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of G.K.

58. Based in part on the ID verification from ID.me, the EDD approved the claim on or around December 27, 2020 and began paying benefits. On or around that same date, BofA mailed an EDD debit card ending in 3911 in the name of G.K. to an address in Los Angeles, California. BofA records indicate that this card was never activated. EDD records indicate that on or around January 22, 2021, G.K.'s address was updated to the 640 Westfield Ave. Apartment. BofA records then show that on or around February 3, 2021, EDD debit card ending in 4155 in the name of G.K. was mailed to the 640 Westfield Ave. Apartment. This card was activated on or around February 5, 2021.

59. On or around February 9, 2021 the 4155 EDD debit card in the name of G.K. was taken to a BofA Roselle Chestnut branch located at 105 E 4th Ave, Roselle, New Jersey, which is approximately two miles from the 640 Westfield Ave. Apartment. At approximately 20:42 MT, \$1,000 in cash was withdrawn from the card. While a beard is not visible in the ATM surveillance image taken, the image does show a white male resembling JAKLITSCH and wearing a white baseball hat, black puffy winter coat, and a grey hoodie, all like the clothes seen in other transactions detailed above.



February 9, 2021, BofA ATM Surveillance Image, Roselle-Chestnut ATM, NJ, at 22:42 EST

60. In total, the EDD paid approximately \$27,750 for the claim in the name of G.K.

61. Furthermore, BofA documented that at least four EDD cards were used at this BofA location in Roselle, New Jersey, within eight minutes between 20:39 and 20:46 MT. The first two cards were used by the same white male pictured above at the same ATM; the cards used at ATM INJH6419 were for E.C. and G.K. in that order. Per BofA records, the most recent EDD cards for E.C. and G.K. were sent to the 640 Westfield Ave. Apartment between January and February 2021.

62. The other two EDD cards issued for the benefits of S.A. and P.S. were used within the same lobby but were used at ATM INJH6420 rather than the first ATM.

63. The ATM image from the last known EDD transaction was taken at 20:46 and is provided below. The investigation determined that same individual – who appears to be JAKLITSCH – used all four EDD cards.



February 9, 2021, BofA ATM Surveillance Image, Roselle-Chestnut ATM, NJ, at 22:46 EST

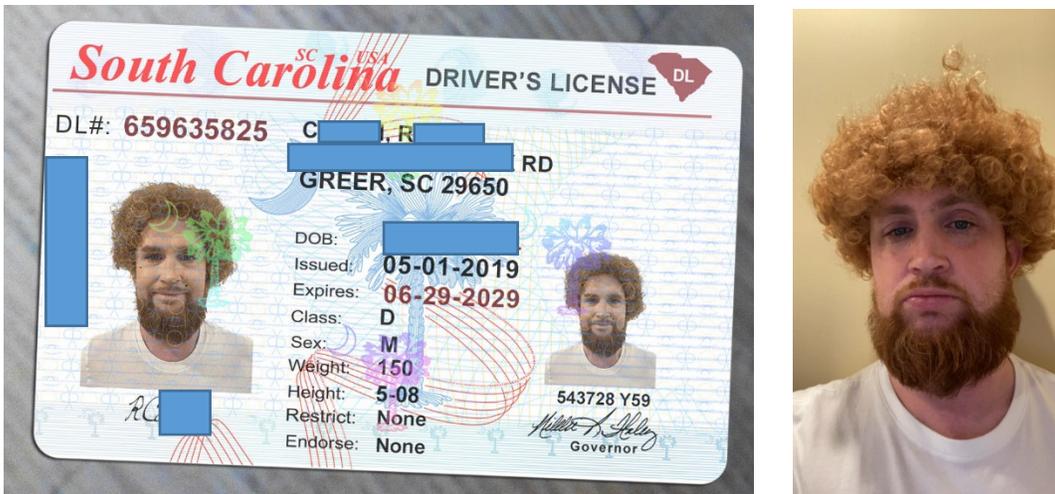
Recent Fraudulent UI Activity Linked to JAKLITSCH

Fraudulent UI Claim in Name of Victim R.C.

64. On or around January 2, 2021, a UI claim was filed with the EDD in the name of R.C. The claim stated that R.C. was laid off due to a COVID-19 diagnosis. The UI claim further stated that R.C. had worked as an “Appraiser, Real Estate,” and also had job skills as an “ATM On-Call Servicer.” The claim listed R.C.’s true SSN and DOB, which were not that of JAKLITSCH. The claim also listed R.C.’s home address as an address in Hemet, California.

65. According to public records, R.C. actually lived in South Carolina until his/her death in May 2020 at the age of 75—eight months before the UI claim was filed in his name.

66. On the same date as the UI claim was filed, an ID.me account was created in the name of R.C. on or around January 2, 2021. On that date, the below images of a fake South Carolina driver’s license and selfie image were uploaded. The South Carolina driver’s license presents R.C. as JAKLITSCH: a white male, 5’8” with a light brown beard approximately two inches in length. Accompanying the driver’s license image was a matching selfie photo of JAKLITSCH with a light brown beard approximately two inches in length and wearing a light brown curly wig.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of R.C.

67. On or around February 7, 2021, BofA mailed a UI debit card in the name of R.C. to an address in Santa Monica, California. While the investigation has not yet received complete BofA-EDD debit card records for this UI claim, records available to the investigation indicate that this card's status remains Active as of approximately November 4, 2021.

68. On or around May 31, 2021, someone posing as R.C. submitted a question about this claim via the AskEDD webpage on the EDD website, which was assigned EDDCOMM Case Number 00243471. The questioning party requested EDD to backdate the claim to December 6, 2020. As a result of this request, the EDD backdated the claim by approximately two weeks, and paid an additional \$900.

69. In total, the EDD has paid out approximately \$28,350 under this fraudulent claim, the last fund transfer from EDD occurring on September 5, 2021 in the amount of \$750.

Fraudulent UI Claim in Name of Victim A.R.

70. On or around December 23, 2020, a UI claim in the name of A.R. was filed with the EDD. The UI claim was accepted by the EDD on or around December 27, 2020. Like the fraudulent claims above, the identity verification document and photo provided (images below) were fraudulent.⁶

⁶ The investigation is not yet in possession of the BofA ATM surveillance images for transactions related to the UI claim in the name of A.R.



ID Verification Images (PII Redacted) Submitted for UI Claim in Name of A.R.

71. On or around December 27, 2020 BofA mailed the EDD UI debit card to an address in Los Angeles, California.

72. On or around September 12, 2021, EDD records show that a question related to this UI claim was submitted via the AskEDD webpage and was assigned EDDCOMM Case Number 01995806. The questioning party, posing as UI claimant A.R., requested EDD to backdate the effective date of their claim due to COVID-19. Because the claim had already been backdated previously, the EDD was unable to fulfill the request. But this overt act demonstrates that the person controlling the fraudulent claim and others—who is believed to be JAKLITSCH—continued to manipulate this claim to fraudulently extract more money from the EDD. According to preliminary records from BofA, the card status as of November 4, 2021 is listed as stolen.⁷

73. In total, the EDD has paid out approximately \$11,700 under this fraudulent claim, the last fund transfer from EDD occurring on September 22, 2021 in the amount of \$750.

[CONTINUED ON NEXT PAGE]

⁷ The investigation does not know if the debit card was marked stolen by the ID theft victim or Bank of America, or if it was an attempt by the criminal actor to report the card as stolen to obtain more funds by receiving a credit to the account—a known scheme in UI fraud investigations.

CONCLUSION

74. For the reasons stated above, there is probable cause to believe that JAKLITSCH acted in violation of at least 18 U.S.C. § 1343 (Wire Fraud).

REQUEST TO SEAL

75. This case is the product of a covert investigation. Based on my training and experience in investigations such as this one, I believe that public disclosure of the existence of this affidavit, complaint, arrest warrants and/or search warrants may have a significant and negative impact on the continuing investigation and may severely jeopardize law enforcement efforts to execute the warrants. Also, premature disclosure may pose a risk to executing law enforcement. It is respectfully requested that this Court issue an order sealing, until further order of the Court, all papers submitted in support of this affidavit, the accompanying search warrant, and application.

/s/ Christina Wang

Christina Wang
Special Agent
U.S. Department of Labor

Approved as to form.



Robert J. Artuz
Special Assistant United States Attorney

Subscribed and sworn to before me telephonically on this 6th day of December, 2021.



DEBORAH BARNES
UNITED STATES MAGISTRATE JUDGE