

U.S. Attorney Anderson: Grand jury returns indictments

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MADISON, WIS. — A federal grand jury in the Western District of Wisconsin, sitting in Madison, returned the following indictments today. You are advised that a charge is merely an accusation and that a defendant is presumed innocent until and unless proven guilty.

The maximum statutory sentence is prescribed by Congress and is provided here for informational purposes. If convicted, the sentencing of a defendant will be determined by the court based on the advisory Sentencing Guidelines and other statutory factors.

Two Texas Men Charged with Fraud Conspiracy

Clement Onuama, 52, and Orefo Okeke, 41, both of Arlington, Texas, are charged in a 10-count indictment with conspiracy to commit wire fraud and money laundering. According to the indictment, Onuama and Okeke operated businesses in Grand Prairie, Texas, known as Destiny Auto Repair and Sysco Serve. The indictment alleges that from 2010 to 2016, the defendants conspired to commit the following fraud schemes:

1. Romance fraud schemes – the indictment alleges that Onuama and Okeke received proceeds from victims who believed they were in romantic relationships with persons they met online and were asked for financial assistance. The indictment alleges that victims sent funds to bank accounts that were controlled by

the defendants.

2. Business email compromise schemes involving identity theft – the indictment alleges that victims received “spoofed” email messages that appeared to be from a fellow employee or business associate instructing them to wire funds to various accounts controlled by Onuama and Okeke.

3. Account takeover schemes involving identity theft – the indictment alleges that the defendants received proceeds from schemes that involved several victims whose financial accounts were accessed by unauthorized individuals who wired funds or drew checks on the victims’ account which were deposited into accounts held by Onuama and Okeke.

4. Credit card fraud schemes involving identity theft – the indictment alleges that Onuama received proceeds from several victims who had unauthorized credit cards opened in their names without their permission and were charged in fake transactions by Destiny Auto Repair with payments going to a bank account held by Onuama.

The indictment alleges that when confronted by various banks regarding possible fraudulent deposits into their accounts, Onuama and Okeke falsely told the banks that the money came from clients who were engaged in automobile purchases and sales with the defendants. The indictment also alleges that as a further part of the conspiracy, the defendants concealed the proceeds of the fraud schemes by moving them through various bank accounts, withdrew the proceeds in structured cash increments of \$10,000 or less, and failed to report any of the fraud proceeds on their tax returns.

The indictment alleges that Onuama and Okeke caused an actual fraud loss amount in excess of \$2.6 million, and an attempted fraud loss amount in excess of \$3.2 million.

In addition to the conspiracy charge, Onuama and Okeke are each charged with six counts of wire fraud and three counts of identity theft. The indictment seeks money judgments from the defendants in an amount totaling \$2,802,075.54, which is allegedly the amount of the proceeds from the conspiracy and the wire fraud charges.

A sealed federal complaint in this matter was filed on October 26, and arrest warrants for Onuama and Okeke were issued. They were arrested in Texas on November 1. They appeared in federal court in Fort Worth, Texas on November 2,

and were detained in custody pending their appearance in U.S. District Court in Madison. No date has been set for their initial appearance in Wisconsin.

If convicted, Onuama and Okeke face a maximum penalty of five years in federal prison on the conspiracy charge, 20 years on each of the six wire fraud charges, and a mandatory two years on each of the three identity theft charges. Federal law requires that any sentence imposed on the identity theft charges be served consecutive to any other penalty imposed. The charges against the defendants are the result of an investigation by IRS Criminal Investigation. The prosecution of this case is being handled by Assistant U.S. Attorney Daniel Graber.

McFarland Man Charged with Distributing & Possessing Child Pornography

Curtis S. Pethley, 60, McFarland, Wis., is charged with distributing a visual depiction of a minor engaging in sexually explicit conduct. The indictment alleges that he sent child pornography via Facebook messenger on December 21, 2016.

Pethley is also charged with possessing child pornography. The indictment alleges that on July 11, 2017, he possessed a hard drive containing visual depictions of minors engaging in sexually explicit conduct. The indictment further alleges that at least one of the depictions involved a prepubescent minor or a minor who had not attained 12 years of age.

If convicted, Pethley faces a mandatory minimum penalty of five years and a maximum penalty of 40 years in federal prison on the distribution charge, and a maximum penalty of 20 years in federal prison on the possession charge. The charges against him are the result of an investigation by the FBI Child Exploitation Task Force and the McFarland Police Department. The Task Force is comprised of the FBI; Milwaukee and West Allis Police Departments; Sheboygan, Waukesha, and Milwaukee County Sheriffs' Offices; and Homeland Security Investigations. The prosecution of this case is being handled by Assistant U.S. Attorney Elizabeth Altman.

Two Wausau Residents Charged with Drug & Money Laundering Crimes

Xiong Lo, 52, and Ying Lo, 38, both of Wausau, Wis., are charged with conspiracy to possess 50 kilograms or more of marijuana with the intent to distribute. The indictment alleges that the conspiracy operated from January 2015 to July 2015.

The indictment also charges Xiong Lo and Ying Lo with possessing marijuana on July 2, 2015, with the intent to distribute, and with two counts of money laundering. The indictment alleges that the defendants engaged in a monetary transaction of greater than \$10,000, using the proceeds from their marijuana distribution scheme to purchase real property in California on January 8, 2015, and to purchase real property in Florida on June 5, 2015.

Xiong Lo and Ying Lo are husband and wife.

If convicted, the defendants face a maximum penalty of 20 years in federal prison on the conspiracy charge, five years on the possession with intent to distribute charge, and 10 years on each of the money laundering charges. The charges against them are the result of an investigation by the Wisconsin Department of Justice Division of Criminal Investigation, IRS Criminal Investigation, Marathon County Sheriff's Department, and Wausau Police Department. The prosecution of this case is being handled by Assistant U.S. Attorney David Reinhard.