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**Department of Justice**

U.S. Attorney's Office

Northern District of New York

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FOR IMMEDIATE RELEASE

Thursday, April 8, 2021

## **Ithaca Man Charged With COVID-19 Relief Fraud**

### **Ejembi Onah Charged with Wire Fraud and Money Laundering After Obtaining Approximately \$150,000 in Loans**

BINGHAMTON, NEW YORK - Ejembi Onah, age 58, of Ithaca, New York, was arrested yesterday on a federal wire fraud and money laundering complaint alleging that he fraudulently obtained approximately \$150,000 in government-backed loans meant for businesses struggling with the financial effects of the coronavirus pandemic.

The announcement was made by Acting United States Attorney Antoinette T. Bacon; Kevin M. Kelly, Special Agent in Charge, Buffalo Division of Homeland Security Investigations (HSI); and Jonathan D. Larsen, Special Agent in Charge, New York Field Office, Internal Revenue Service (IRS)-Criminal Investigation.

The criminal complaint alleges that between April 1, 2020 and March 3, 2021, Onah received approximately \$150,000 in Paycheck Protection Program (PPP) loans and Economic Injury Disaster Loans (EIDL), which were issued by two banks and the Small Business Administration to two companies he controlled. The complaint further alleges that in support of the loan applications, Onah submitted fraudulent tax documents and fabricated bank statements.

Onah made his initial appearance in court yesterday in Binghamton, New York, before United States Magistrate Judge Miroslav Lovric, and was released with conditions.

The charges in the complaint are merely accusations. The defendant is presumed innocent unless and until proven guilty.

If convicted of wire fraud, Onah faces up to 30 years in prison, up to five years of post-imprisonment supervised release, and a maximum fine of \$1 million. If convicted of engaging in transfers of wire fraud proceeds of a value greater than \$10,000, Onah faces up to 10 years in prison, up to three years of post-imprisonment supervised release, and a maximum fine of \$250,000. A defendant's sentence is imposed by a judge based on the particular statute the defendant is charged with violating, the U.S. Sentencing Guidelines and other factors.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a federal law enacted on March 29, 2020, designed to provide emergency financial assistance to the millions of Americans who are suffering the

economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of up to \$349 billion in forgivable loans to small businesses for job retention and certain other expenses through the PPP, and \$10 billion in low-interest loans to small businesses through the EIDL program. In April 2020, Congress authorized over \$300 billion in additional PPP funding and \$10 billion in additional EIDL funding, and in December 2020, Congress authorized another \$284 billion in additional PPP funding.

This case is being investigated by U.S. Homeland Security Investigations (HSI) and IRS-Criminal Investigation, and is being prosecuted by Assistant U.S. Attorneys Andrew D. Beaty and Joshua R. Rosenthal.

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**Topic(s):**

Coronavirus

Financial Fraud

**Component(s):**

USAO - New York, Northern

Updated April 8, 2021