



U.S. Department of Justice

*United States Attorney
Eastern District of Wisconsin*

NEWS SUMMARY

June 7, 2013

Jamaican National Pleads Guilty to Defrauding Hundreds of Senior Citizens in Jamaican Lottery Scam

James L. Santelle, the United States Attorney for the Eastern District of Wisconsin, announced that O'Brain J. Lynch (age 28) of Jamaica, pleaded guilty to wire fraud, in violation of 18 U.S.C. § 1349 and 2. He faces a maximum of 20 years in prison and a fine of up to \$250,000. Lynch is believed to be the first Jamaican national charged in the United States for this type of fraud.

A Jamaican Lottery Scheme is a form of mass-marketing fraud committed via the internet, telemarketing, or mass mailings. Jamaican criminal organizations contact victims and identify themselves as lawyers, government officials, law enforcement agents, or lottery company officials. The potential victims are led to believe they won an international multi-million dollar lottery. The fraudulent telemarketers then inform the victims that in order to receive their winnings the victim needs to pay an advance fee. This fee is usually described as a tax, insurance payment, or customs duty that must be paid to release the winnings. The victims are instructed to send the funds via mail or wire transfer.

The scammers routinely involve victims to help facilitate the laundering of financial transactions by receiving and withdrawing funds from prepaid cards and receiving and sending wire transfers. In an attempt to conceal and layer the proceeds from the lottery scams, the scammers direct victims to send funds, knowingly and unknowingly, to other victims and associates of the scammers within the United States. These victims and co-conspirators then transfer the proceeds of this fraud to the scammers in Jamaica by wire transfers. The Jamaican criminal organizations have modified the lottery scam into other variations of telemarketing schemes to include redirecting individuals Social Security Administration (SSA) benefits, direct deposit, automatic debit, re-routing schemes and other identity theft schemes.

According to documents filed in court, in March 2012, the SSA learned that a social security recipient, from Glendale, Wisconsin, was receiving social security benefits in the name of other recipients and cashing in these benefits. Special Agents from the SSA - Office of Inspector General (OIG) discovered the recipient was sending this money to Jamaica because he believed he had won "The Jamaican Lottery." He said he was contacted by an official from Global International who informed him that he won \$2.5 million and two (2) Mercedes Benz vehicles in a sweepstakes. He was then advised that in order for him to collect the money and the cars, he had to pay taxes, customs duty, and other fees. He initially sent his own money to Jamaica, and, once he had depleted his own assets, he was directed, by telephone, to accept checks, Direct Express cards, and other cash value cards in the names of other people (who were also victims), cash them out and then send the money to Jamaica. As a result, numerous victims did not receive their social security benefits, and instead they were mailed to Jamaica. Investigators from SSA discovered that hundreds of victims throughout the United States were losing their social security benefits and their life savings either because they believed that they had won "The Jamaican Lottery" or because, as part of another telemarketing scheme, they revealed enough information about themselves that allowed the thieves to fraudulently divert their money.

SSA -OIG, the Postal Inspection Service (USPS) and Homeland Security Investigations (HSI) joined forces, and were able to identify O'Brain Lynch, as being one of the principal individuals involved in this scheme in Jamaica. HSI reported that Lynch is a resident of Montego Bay, Jamaica, and formerly was a lawful permanent resident of the United States. Lynch was arrested in February 2013.

Numerous records showed that Lynch and his co-actors were involved in a massive telemarketing scheme involving hundreds of victims. They would identify vulnerable victims, and change the recipients' addresses to a third party. They then had the third party send the money to Jamaica or to others in the United States, who would then wire the money to Jamaica. At the direction of Lynch (and other working with him) numerous victims received SSA Direct Express, netSpend, Green Dot, and other types of cash value cards in the names of other victims. In addition, items were ordered in the United States by Lynch and his co-actors and were paid for using money fraudulently obtained through the scheme. These items, including jewelry, cell phones, a computer tablet, various electronics and other items were received by victims or other co-actors in the United States, and then sent to Jamaica where they could not be traced or recouped. Many of these items have now been linked directly to Lynch.

As part of his plea agreement, Lynch has agreed to pay at least \$100,000 in restitution. The restitution amount will be determined by the court at the time of sentencing.

Special Agent in Charge William Cotter of the Social Security Administration, Office of Inspector General said, "The arrest and conviction of Obrain Lynch is a significant breakthrough in our investigation into this Jamaican Lottery Scheme, which has redirected millions of dollars in senior citizens' retirement benefits to thieves' accounts opened for the purpose of stealing this money. Lynch was a major organizer of this scam and he personally received or was responsible for defrauding hundreds of thousands of dollars from very vulnerable senior citizens. The Inspector General's Office for the Social Security Administration has worked very closely in this case with Homeland Security Investigations and the Postal Inspection Service and we will continue our collaborative effort to arrest and prosecute additional people involved with this scheme."

"Unscrupulous scam artists prey on the vulnerabilities of others and are solely motivated by greed," said Homeland Security Investigations Chicago Special Agent in Charge Gary Hartwig. "We will continue to work with our partners in Jamaica and other law enforcement agencies to put these criminal enterprises out of business. However, the best defense is to be very suspicious of anyone who asks for money up front so you can collect a lottery prize."

"Americans have lost millions of dollars to criminals from countries around the world in foreign lottery scams, said Pete Zegarac, Inspector in Charge, Chicago Division U.S. Postal Inspection Service. When one family member is harmed by a foreign lottery scam, the impact is felt by all. Losses can be monumental, sometimes entire life savings are wiped out. The United States Postal Inspection Service will continue to partner with the Inspector General's Office for the Social Security Administration and Homeland Security Investigations, as well as other law enforcement agencies, regulatory agencies and the financial industry to combat cross border fraud targeting U.S. consumers, particularly the elderly. The Postal Inspection Service will continue to aggressively investigate these crimes and arrest people like Lynch, who ruthlessly exploit American consumers."

This matter was investigated by special agents from the Social Security Administration - Office of Inspector General, the Postal Inspection Service and Homeland Security Investigations. The case is assigned to Assistant United States Attorney Karine Moreno Taxman for prosecution.

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