



## U.S. Department of Justice

### *United States Attorney Eastern District of Arkansas*

FOR IMMEDIATE RELEASE  
**February 14, 2007**

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#### **MAN CONVICTED IN NIGERIAN COUNTERFEIT MONEY ORDER SCHEME**

**Little Rock** – Tim Griffin, United States Attorney for the Eastern District of Arkansas, announced that a federal jury convicted Steven Anayo Onwumere, age 39, late yesterday of participating in a scheme to defraud and possession of counterfeit money orders.

"Counterfeit money order schemes cost Americans millions of dollars every month and continue to be a significant problem nationwide. Investigation of these cases are particularly difficult because the perpetrators are often located overseas. In this case, the defendant was out to defraud Americans and was stopped by the aggressive and cooperative work of federal agents and postal employees," said U.S. Attorney Griffin.

A grand jury handed up a two count indictment on May 3, 2006, charging Onwumere with mail fraud and possession of counterfeit money orders.

At trial, the jury heard evidence that Onwumere, a naturalized U.S. citizen originally from Nigeria and residing in Little Rock, was scheduled to receive a Fed Ex package from the West African country of Benin. However, in early March 2006, Customs and Border Protection agents seized this package when it was determined that it contained counterfeit money orders secreted in a magazine. Based on this seizure, United States Postal Inspectors contacted local postal employees to be on the lookout for Onwumere. On March 31, 2006, an alert postal clerk identified Onwumere mailing nine certified letters to various points in the United States. The postal clerk testified that he was suspicious of Onwumere based on his interaction with him in the post office as well as the fact Onwumere was insistent on not placing return addresses on the certified letters.

The nine letters were held for United States Postal Inspectors who then attempted to contact two of the addressees. The addressees informed inspectors that they had been contacted by people via the internet and they were asked to assist individuals overseas with cashing the

money orders. The addressees consented to inspectors opening the envelopes and, inside, were thousands of dollars of counterfeit money orders. Inspectors obtained search warrants for the remaining envelopes and found a total of \$51,320 in counterfeit money orders. On April 10, 2006, Postal Inspectors executed an arrest warrant for Onwumere as well as a search warrant of his apartment. Evidence revealed that Onwumere was the middle man in the scheme to defraud. An E-mail in Onwumere's possession identified that Americans were leery of packages from Nigeria and that it was important that the counterfeit money orders be sent to the intended victims from inside the United States.

Robert Simpson, a fraud investigator from American Express tied these specific counterfeit money orders to a much larger scheme that AMEX had been investigating since 2005. The investigator testified that in his experience this fraud was mainly occurring in the United States because Americans were generally trusting and generous people. Simpson testified that many of the victims are persuaded through E-mail correspondence or discussions in chat rooms. The scheme involves a person claiming to be overseas unable to cash the money orders from where they are located. The individual claims to have received the money as pay for work they performed. Simpson stated that other schemes are perpetrated through a "lonely hearts" situation whereby the victim will cash the money orders as a part of a romantic relationship. After receiving the cash but before learning that the money orders are counterfeit, the victim wires the money to the perpetrator of the fraud. At that point, either the bank or the individual victim sustain the loss.

Simpson tied some of the counterfeit money orders that Onwumere mailed to three larger schemes investigated by AMEX. The three schemes involved more than \$25 million in exposure to banks and individual victims in the United States.

One of the intended recipients of Onwumere's March 31, 2006 letters testified that he had met a lady he believed to be a U.S. citizen working in Africa who was being paid in money orders and that she could not cash them. He testified he was interested in assisting the lady in her dire situation.

Onwumere was convicted of mail fraud, a violation of 18 U.S.C. 1341 which carries a possible sentence of up to 30 years incarceration and a fine of up to \$250,000 and possession of counterfeit securities which carries a possible sentence of up to 10 years incarceration and the same possible fine. Sentencing will be scheduled at a later date before United States District Judge James M. Moody.

The case was investigated by the United States Postal Inspection Service. Department of Homeland Security agencies, Immigration and Customs Enforcement and Customs and Border Protection, provided supporting roles in the investigation.

Assistant United States Attorneys Anne Gardner and Joe Volpe prosecuted this case for the United States.

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