

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
: :
: : Crim. No.: 17-
v. : :
: : 18 U.S.C. §§ 1343, 1349, 1029,
ALAADE QUDUS BADMUS, : : 1028A, and 2
a/k/a "Katiee Miller" : :
: :

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark, charges:

COUNT ONE
(Wire Fraud Conspiracy)

Background

1. At all times relevant to Count One of this Indictment:
 - a. Defendant ALADE QUDUS BADMUS, a/k/a "Katiee Miller" ("defendant BADMUS"), resided in or near Nigeria.
 - b. Corporate Victim 1 was a company that provided training and rehabilitative services for people with developmental and other disabilities with its headquarters in Virginia.
 - c. Corporate Victim 2 was a multinational provider of consulting services with offices in, among other places, New Jersey.
 - d. Corporate Victim 3 was a publicly-traded real estate investment company with its headquarters in, among other places, New Jersey.

e. Corporate Victim 4 was a publicly-traded Fortune 500 health-care company with its headquarters in New Jersey.

f. Corporate Victim 5 was a publicly-traded retail company with its headquarters in New Jersey. Corporate Victims 1, 2, 3, 4, and 5 are referred to collectively as the “Corporate Victims.”

g. In addition to the Corporate Victims, more than 100 other corporations were targeted by the conspiracy, including (i) a multinational technology company with its headquarters in San Jose, California; (ii) an international public-relations consulting company with its headquarters in New York, New York; and (iii) a publicly-traded international transportation services company with its headquarters in Jacksonville, Florida.

h. Individual Victim 1 was an employee of Corporate Victim 1.

i. Individual Victim 2 was an employee of Corporate Victim 2.

j. Individual Victim 3 through Individual Victim 5 were employees of Corporate Victim 3. Individual Victims 1, 2, 3, 4, and 5 are referred to collectively as the “Individual Victims.”

k. In addition to the Individual Victims, more than 10,000 other employees of the Corporate Victims had their personal identifying information—including Forms W-2—stolen.

Terminology

l. A “Business Email Compromise” was a type of fraudulent scheme targeting businesses. A Business Email Compromise used, among

other things, email spoofing to obtain confidential business information. The scam was carried out by, among other things, creating spoofed email addresses that appeared to be legitimate email accounts of the victim company, usually the email address of a company executive, and using that spoofed email address to fraudulently induce employees of the victim company to share money or property within the victim company's possession, custody, or control.

m. "Email Spoofing" referred to the act of altering an email's header information (the source, destination, and routing information attached to an email, including the originating domain name and originating email address) so that the email message appeared, to the recipient, to come from a different email address than the address from which it was actually sent. A spoofed email may also be configured so that a reply to the email is sent to yet another email account.

n. "Form W-2, Wage and Tax Statement" ("Form W-2") is a form published by the Internal Revenue Service ("IRS") that must be filed by nearly all employers who engage in a trade or business on behalf of their employees. A completed Form W-2 will identify an employee's name, address, and social security number, among other personally-identifying information (collectively, "PII").

The Conspiracy

2. From at least as early as in or about January 2010 through at least as late as in or about May 2016, in Hudson and Mercer Counties, in the

District of New Jersey, and elsewhere, defendant

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller,"

did knowingly and intentionally conspire and agree with others to devise a scheme and artifice to defraud the Corporate Victims and others, and to obtain money and property, including Corporate Victims' employee information, by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing the scheme and artifice to defraud, to transmit and cause to be transmitted, by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, contrary to Title 18, United States Code, Section 1343.

Goal of the Conspiracy

3. It was the goal of the conspiracy for defendant BADMUS and his co-conspirators to enrich themselves by using a Business Email Compromise to trick Corporate Victims into emailing their employees' PII to the co-conspirators, and then using that PII to file fraudulent tax returns with the IRS which falsely claimed millions of dollars in tax refunds.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that defendant BADMUS and his co-conspirators exchanged "target lists" that detailed the names of United States corporations (including the Victim Companies), the name and email address of each corporation's chief executive or chief financial officer, and the name and email address of a payroll or human resources employee—information that the

co-conspirators could use to carry out the Business Email Compromise.

5. It was further part of the conspiracy that defendant BADMUS and his co-conspirators created spoofed email addresses. These appeared to be legitimate email addresses associated with executives of the Victim Companies.

6. It was further part of the conspiracy that defendant BADMUS and his co-conspirators sent used the spoofed email addresses to send emails to human resources and/or payroll employees at the Victim Company and others. These spoofed email messages asked the employees to send Forms W-2 for Victim Company employees, including the Individual Victims.

7. It was further part of the conspiracy that defendant BADMUS and his co-conspirators sought to obtain Forms W-2 for over 42,000 corporate employees.

8. It was further part of the conspiracy that defendant BADMUS and his co-conspirators used other email accounts to receive email responses containing Forms W-2 for employees of the Corporate Victims, including the Individual Victims.

9. It was further part of the conspiracy that, after receiving the fraudulently obtained Forms W-2 for Victim Company employees, defendant BADMUS and his co-conspirators used those Forms W-2 to file thousands of fraudulent tax returns with the IRS seeking tax refunds from the United States. To further facilitate the conspiracy, defendant BADMUS and others accessed the IRS's "Get Transcript" system to obtain yet more information on certain individuals. This information, including, among other things, adjusted gross income, is sometimes needed to e-file tax returns. As a result, the co-conspirators attempted to obtain from the United States a total of at least approximately \$10.2 million in fraudulent tax refunds.

All in violation of Title 18, United States Code, Section 1349.

COUNT TWO THROUGH COUNT FOUR
(Wire Fraud)

1. The allegations set forth in Paragraphs 1 and 4 through 9 of Count One of this Indictment are hereby repeated, realleged, and incorporated by reference as if fully set forth herein.

2. On or about March 1, 2016, in Hudson and Mercer Counties, in the District of New Jersey, and elsewhere, defendant,

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller,"

did knowingly and intentionally devise and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing and attempting to execute the scheme and artifice, did knowingly and intentionally transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce the following writings, signs, signals, pictures and sounds, each constituting a separate count of this Indictment:

Count	Approximate Date	Description
Two	March 1, 2016	Spoofed email sent from defendant BADMUS and his co-conspirators in Nigeria to employees at Corporate Victim 3
Three	March 1, 2016	Spoofed email sent from defendant BADMUS and his co-conspirators in Nigeria to employees at Corporate Victim 4
Four	March 1, 2016	Spoofed email sent from defendant BADMUS and his co-conspirators in Nigeria to employees at Corporate Victim 5

All in violation of Title 18, United States Code, Section 1343.

COUNT FIVE THROUGH COUNT SEVEN
(Aggravated Identity Theft)

1. The allegations contained in paragraphs 1 and 4 through 9 of Count One of this Indictment are hereby repeated, re-alleged, and incorporated by reference as if fully set forth herein.

2. On or about March 1, 2016, in Middlesex and Hudson Counties, in the District of New Jersey, and elsewhere, defendant

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller,"

did knowingly transfer, possess, and use without lawful authority, a means of identification of another person, during and in relation to a felony violation of a provision contained in chapter 63, United States Code, that is, wire fraud conspiracy and wire fraud, in violation of Title 18, United States Code, Sections 1349 and 1343, charged in Count One through Count Four of this Indictment, each constituting a separate count of this indictment:

Count	Approximate Date	Means of Identification
Five	March 1, 2016	Name of Individual Victim 3.
Six	March 1, 2016	Name of Individual Victim 4.
Seven	March 1, 2016	Name of Individual Victim 5.

All in violation of Title 18, United States Code, Section 1028A(a)(1) and Section 2.

COUNT EIGHT
(Conspiracy to Commit Access Device Fraud)

1. At all times relevant to this Indictment:

- a. Defendant ALADE QUDUS BADMUS, a/k/a "Katiee Miller" ("defendant BADMUS"), resided in or near Nigeria.
- b. "CVV" referred to the "card verification value" on a credit card or debit card, which served as a security feature to help merchants and card issuers verify that the individual who provided the credit card number and expiration date is in possession of the actual credit card.

The Conspiracy

2. From in or about April 2013 through in or about January 2017, in the District of New Jersey, and elsewhere, defendant,

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller,"

did knowingly and intentionally conspire with others to possess fifteen or more counterfeit and unauthorized access devices, as defined in Title 18, United States Code, Section 1029(e)(1)-(3), namely counterfeit and unauthorized credit card information, in a manner affecting interstate and foreign commerce, contrary to Title 18, United States Code, Section 1029(a)(3).

Goal of the Conspiracy

3. It was the goal of the conspiracy for defendant BADMUS and his co-conspirators to profit unlawfully by possessing with intent to defraud fifteen

or more counterfeit and unauthorized access devices, namely, credit card information.

Overt Acts

4. In furtherance of the conspiracy, and to effect the object thereof, the following overt acts, among others, were committed in the District of New Jersey, and elsewhere:

a. On or about April 6, 2013, a conspirator sent to defendant BADMUS an email message containing approximately twenty sets of credit or debit card numbers, along with, among other information, the corresponding expiration date, CVV number, account name, address, email address, social security number, and date of birth.

b. On or about March 13, 2013, defendant BADMUS sent to a conspirator approximately six sets of credit or debit card numbers, along with, among other information, the corresponding expiration date, security code, account name, address, email address, social security number, and date of birth.

All in violation of Title 18, United States Code, Sections 1029(b)(2) and (c)(1)(A)(i).

COUNT NINE AND COUNT TEN
(Aggravated Identity Theft)

1. The allegations contained in paragraphs 1 and 4 of Count Eight of this Indictment are hereby repeated, re-alleged, and incorporated by reference as if set forth fully herein.

2. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant,

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller,"

did knowingly transfer, possess, and use without lawful authority, a means of identification of another person, during and in relation to a felony violation of a provision contained in chapter 47, United States Code, that is access device fraud, in violation of Title 18, United States Code, Section 1029, charged in Count Eight of this Indictment, each constituting a separate count of this Indictment:

Count	Approximate Date	Means of Identification
Nine	April 6, 2013	Social Security Number of M.R.
Ten	March 13, 2013	Social Security Number of M.D.

All in violation of Title 18, United States Code, Section 1028A(a)(1) and Section 2.

FORFEITURE ALLEGATION AS TO COUNTS ONE THROUGH FOUR

1. As the result of committing the offenses constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), as alleged in Counts One through Four of this Indictment, defendant BADMUS shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said wire fraud and wire fraud conspiracy offenses, and all property traceable thereto.

FORFEITURE ALLEGATION AS TO COUNT EIGHT

2. As a result of committing the offense of conspiracy to violate 18 U.S.C. § 1029 alleged in Count Eight of this Indictment, defendant BADMUS shall forfeit to the United States:

- a. pursuant to 18 U.S.C. § 982(a)(2)(B), any property constituting, or derived from, proceeds obtained directly or indirectly, as a result of such offenses; and
- b. pursuant to 18 U.S.C. § 1029(c)(1)(C), any personal property that was used or intended to be used to commit or to facilitate the commission of the offense charged in Count Eight of this Indictment.

SUBSTITUTE ASSETS PROVISION
(Applicable to All Forfeiture Allegations)

3. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;

- b. has been transferred or sold to, or deposited with a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

the United States shall be entitled, pursuant to 21 U.S.C. § 853(p) (as incorporated by 28 U.S.C. § 2461(c), and 18 U.S.C. § 982(b)), to forfeiture of any other property of the defendant up to the value of the above-described forfeitable property.

A True Bill,

Foreperson



William E. Fitzpatrick
WILLIAM E. FITZPATRICK
Acting United States Attorney

CASE NUMBER: 17-

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

ALADE QUDUS BADMUS,
a/k/a "Katiee Miller"

INDICTMENT FOR

18 U.S.C. §§ 1343, 1349, 1029,
1028A, and 2

A True Bill,

Foreperson

WILLIAM E. FITZPATRICK
ACTING UNITED STATES ATTORNEY
FOR THE DISTRICT OF NEW JERSEY

OSMAR J. BENVENUTO
ASSISTANT U.S. ATTORNEY
NEWARK, NEW JERSEY
(973) 645-2869
