

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Wednesday, August 21, 2019

Five Fraudsters Indicted For Million Dollar Scheme Targeting Thousands of U.S. Servicemembers and Veterans

Foreign-Based Fraudsters Stole Millions of Dollars from Mostly Elderly and Disabled Veterans

A 14-count indictment has been unsealed today in San Antonio, Texas, charging five individuals with coordinating an identify-theft and fraud scheme targeting servicemembers and veterans. The charged defendants, who were based both in the Philippines and the United States, are alleged to have used the stolen personal identifying information (PII) of thousands of military members to access Department of Defense and Veterans Affairs benefits sites and steal millions of dollars.

The defendants, Robert Wayne Boling Jr., Fredrick Brown, Trorice Crawford, Allan Albert Kerr, and Jongmin Seok, were charged with multiple counts of conspiracy, wire fraud, and aggravated identify theft based on their alleged leading roles in the theft and exploitation of victim PII to conduct their fraud scheme. Boling (a U.S. citizen), Kerr (an Australian citizen), and Seok (a South Korean citizen) were arrested in the Philippines. Brown and Crawford, both U.S. citizens, were arrested in Las Vegas and San Diego respectively. Brown has been detained pending trial. Crawford is awaiting a detention hearing.

“The crimes charged today are reprehensible and will not be tolerated by the Department of Justice. These defendants are alleged to have illegally defrauded some of America’s most honorable citizens, our elderly and disabled veterans and servicemembers,” said Attorney General William P. Barr. “Through today’s action, the Department is honoring our pledge to target elder fraud schemes, especially those committed by foreign actors using sophisticated means, and to protect the veterans of our great country. I am proud of the quick and effective work done on this case by our Consumer Protection Branch and the U.S. Attorney’s Office for the Western District of Texas, with strong investigative support from the Departments of Defense and Veterans Affairs. We all will continue to work together to ensure that our veterans and servicemembers are protected from fraud.”

“Our message is pretty simple,” said U.S. Attorney Bash. “It doesn’t matter where on this planet you reside. If you target our veterans, we’re coming for you. Our veterans were willing to risk everything to protect this Nation from foreign threats. Now it’s our turn to seek justice for them.”

“The compromise of personally identifiable information can significantly harm our service members, veterans and their families and we will aggressively investigate such matters,” said Glenn A. Fine, Principal Deputy Inspector General, performing the duties of the Inspector General of the Department of Defense Office of Inspector General. “This indictment and the coordinated actions of our criminal investigative component, the Defense Criminal Investigative Service, demonstrate our commitment to swift action against those who attempt to enrich themselves through identify theft, money laundering, and conspiracy. The DoD OIG, working in partnership with the Department of Justice, will continue to identify, disrupt, and bring to justice those who threaten military members, retirees, and veterans through fraud and corruption.”

“VA is working with DoD to identify any instances of compromised VA benefits accounts,” said James Hutton, VA assistant secretary for public and intergovernmental affairs. “Just as importantly, VA has taken steps to protect Veterans’ data and are instituting additional protective measures.”

According to the indictment, the defendants' identity-theft and fraud scheme began in 2014 when Brown, then a civilian employee at a U.S. Army installation, stole thousands of military members' PII, including names, dates of birth, social security numbers, and Department of Defense identification numbers. Brown is alleged to have then provided the stolen information to Boling, who exploited the information in various ways together with his Philippines-based co-defendants Kerr and Seok.

As asserted in the indictment, Boling, Kerr, and Seok specifically used the stolen information to compromise a Department of Defense portal designed to enable military members to access benefits information online. Once through the portal, the defendants are alleged to have accessed benefits information. Access to these detailed records enabled the defendants to steal or attempt to steal millions of dollars from military members' bank accounts. The defendants also stole veterans' benefits payments. After the defendants had compromised military members' bank accounts and veterans' benefits payments, Boling allegedly worked with Crawford to recruit individuals who would accept the deposit of stolen funds into their bank accounts and then send the funds through international wire remittance services to the defendants and others. Evidence of the defendants' scheme was detected earlier this year, advancing the investigation that led to the indictment.

The unsealed indictment was announced today in San Antonio by U.S. Attorney John Bash of the Western District of Texas, Deputy Assistant Attorney General David Morrell, and Director Gustav Eyer of the Department of Justice's Consumer Protection Branch.

The Departments of Defense and Veterans Affairs are coordinating with the Department of Justice to notify and provide resources to the thousands of identified victims. Announcements also will follow regarding steps taken to secure military members' information and benefits from theft and fraud.

An indictment merely alleges that crimes have been committed. All defendants are presumed innocent until proven guilty beyond a reasonable doubt.

The United States is represented by Trial Attorneys Ehren Reynolds and Yolanda McCray Jones of the Department of Justice's Consumer Protection Branch and Assistant United States Attorney Joseph Blackwell of the U.S. Attorney's Office for the Western District of Texas. The matter was investigated by agents of the Defense Criminal Investigative Service, and counsel Matthew Freund, along with substantial investigative support from the U.S. Postal Inspection Service, the U.S. Army Criminal Investigation Command, and the Veterans Benefits Administration's Benefits Protection and Remediation Division. The U.S. Department of State's Diplomatic Security Service, Philippine law enforcement partners, and the U.S. Attorneys' Offices for the District of Nevada, the Southern District of California, and the Eastern District of Virginia also provided assistance. Resources from the Department of Justice's Servicemembers and Veterans Initiative and its Transnational Elder Fraud Strike Force aided in the matter's investigation and prosecution.

Since President Trump signed the bipartisan Elder Abuse Prevention and Prosecution Act (EAPPA) into law, the Department of Justice has participated in hundreds of enforcement actions in criminal and civil cases that targeted or disproportionately affected seniors. In particular, this past March, the Department announced the largest elder fraud enforcement action in American history, [charging more than 260 defendants in a nationwide elder fraud sweep](#). The Department has likewise conducted hundreds of trainings and outreach sessions across the country since the passage of the Act.

Additional information about the Consumer Protection Branch and its enforcement efforts can be found at www.justice.gov/civil/consumer-protection-branch. For more information about the U.S. Attorney's Office for the Western District of Texas, visit its website at <https://www.justice.gov/usao-wdtx>. Information about the Department of Justice's Elder Fraud Initiative is available at www.justice.gov/elderjustice; information on the Servicemember and Veterans Initiative is at <https://www.justice.gov/servicemembers>.

Attachment(s):

[Download boling_indictment.pdf](#)

Component(s):

[Civil Division](#)

Press Release Number:

19-884

Updated August 21, 2019