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**MANHATTAN U.S. ATTORNEY CHARGES OPERATORS OF SCHOOL
SECURITY GUARD COMPANY WITH EXTORTING EMPLOYEES AND
DEFRAUDING THE SCHOOL CONSTRUCTION AUTHORITY**

PREET BHARARA, the United States Attorney for the Southern District of New York, ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), and ERIC SCHNEIDERMAN, the New York State Attorney General, announced today the unsealing of federal charges against JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO, alleging the defendants perpetrated a scheme to defraud the New York City School Construction Authority ("SCA") by submitting to the SCA materially false information about how much the defendants paid employees of the defendants' company, Jackson International Security Co. ("JIS"). JIS, which is owned by JACKSON U. OJO and operated by JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO, provides security guards for public school construction projects managed and funded by the SCA throughout New York City. The defendants are also charged with extorting certain of their security guard employees by demanding that these employees kick back to the defendants a portion of their wages in order to continue getting paid for their work as security guards for JIS. In addition, the defendants are charged with transferring hundreds of thousands of dollars, money earned, at least in part, through their fraud and extortion schemes, from bank accounts they controlled in the United States to bank accounts in Nigeria.

This morning, JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO were arrested. All of the defendants are expected to be presented in Manhattan federal court later today.

According to the Complaint against JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO:

From May 2008 through January 2011, JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO perpetrated a scheme to defraud the SCA through their operation of JIS. As a vendor of the SCA, JIS is required by the SCA to file certified payroll information with the SCA which documented: (1) each JIS security guard that worked at the public school construction sites for which JIS was providing security guard services; (2) the dates and hours each JIS security guard worked at these various locations; and (3) the amount JIS paid each of these security guards. As part of this scheme, however, the payroll information JIS submitted to the SCA, which was certified as accurate by JACKSON U. OJO, materially misrepresented, among other things: (1) the sites where JIS security guards were actually working; (2) the dates and number of hours JIS security guards worked; and (3) the amount of money that JIS paid its security guards. In particular, among other things, JACKSON U. OJO falsely certified that certain JIS security guards were paid at or near the "prevailing wage" as required by the SCA when, in fact, the defendants paid these security guards well below the prevailing wage.

The defendants also asked at least one employee of their company to misrepresent to the SCA what they were paid by JIS. On October 23, 2009, LAWRENTA OJO, in the presence of JACKSON U. OJO, specifically told a confidential source ("CS-1") that CS-1 should lie to inspectors from the SCA about CS-1's wages if CS-1 was approached at a public school construction site. LAWRENTA OJO told CS-1 to state that CS-1 earned \$15.50 per hour if he had worked for less than a year, and \$16.75 per hour, if CS-1 had worked for more than a year. In reality, however, and as LAWRENTA OJO admitted to CS-1, CS-1 was only paid about \$8.00 per hour by JIS.

The investigation, which included numerous meetings with the defendants that were recorded by CS-1 from September 2009 through September 2010, further established that JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO extorted certain of their security guards by demanding that these employees kick back to the defendants a portion of their paychecks in order to continue getting paid for their work. For example, during recorded meetings at JIS's offices in the Bronx on May 28, 2010, June 11, 2010, and July 9, 2010, respectively, the defendants told CS-1, in sum and substance, that CS-1 had to pay JIS approximately \$250 in cash out of CS-1's paycheck if CS-1 wanted to continue getting paid for CS-1's work for JIS.

In addition, the investigation revealed that the defendants transferred hundreds of thousands of dollars from bank accounts they controlled in the United States, and where the defendants deposited proceeds of their fraud and extortion schemes, to bank accounts in Nigeria. For example, JIS had a bank account at Citibank (the "JIS Citibank Account") where hundreds of thousands of dollars in payments for security guard services provided by JIS were deposited. On June 8, 2009, approximately \$295,000 in checks drawn on the JIS Citibank Account, and made payable to "Edith Ojo," were deposited into a Citibank account in the name of "Edith Ojo" (the "EDITH OJO Citibank Account"). On June 11, 2009, approximately \$275,000 was transferred by wire from the EDITH OJO Citibank Account to a bank account in the name of "Ojo Jackson" in Nigeria.

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JACKSON U. OJO, EDITH OJO, and LAWRENTA OJO are charged in five counts: extortion, mail fraud, wire fraud, conspiracy to commit mail and wire fraud, and conspiracy to engage in monetary transactions in property derived from the extortion and mail and wire fraud counts. If convicted, the defendants face a maximum of 20 years in prison on each of the mail fraud, wire fraud, and extortion counts, and ten years in prison for conspiring to engage monetary transactions in property derived from the extortion and mail and wire fraud counts.

Mr. BHARARA praised the investigative work of DOI, SCA Inspector General Barbara Ditata and her investigative staff, and the Organized Crime Task Force of the New York State Attorney General's Office.

This case is being prosecuted by the Office's Public Corruption Unit. Assistant United States Attorney PAUL M. KRIEGER is in charge of the prosecution.

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