



Department of Justice

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District of Oregon

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TWO OREGON MEN FACE FEDERAL CHARGES FOR COVID-RELIEF FRAUD

PORTLAND, Ore.—In separate criminal cases, two Oregon men are facing federal charges for fraudulently converting to their personal use loans intended to help small businesses during the COVID-19 pandemic, announced U.S. Attorney Billy J. Williams.

David Unitan, aka Danny Cohen, 46, of Lake Oswego, Oregon, has been charged by criminal complaint with aggravated identity theft, wire fraud, and money laundering. Jeremy Clawson, 30, of Baker City, Oregon, has been charged by criminal complaint with theft of government property.

Both men took advantage of economic relief programs administered by the Small Business Administration (SBA) through Economic Injury Disaster Loans (EIDLs) and the Paycheck Protection Program (PPP), as authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act, signed into law on March 27, 2020, was designed to provide emergency financial assistance to millions of Americans and small businesses suffering the economic effects of the COVID-19 pandemic.

U.S. v. David Unitan

According to court documents, in July 2020, a small business owner contacted the Clackamas County Sheriff's Office to report that an unknown person had obtained and used personal information belonging to himself, his wife, and their business to establish accounts at a bank in Boston, Massachusetts. Sometime later, IRS Criminal Investigation independently opened an investigation into EIDLs and PPP loans obtained under suspicious circumstances by someone purporting to be Daniel Cohen but was in fact Unitan.

A review of SBA records revealed that six EIDL applications had been submitted using the small business owner's social security number. Of the six applications, two were funded for a total of \$295,000. These funds were disbursed into the Boston bank account in June and July of 2020. Investigators soon discovered that a transfer of \$100,000 was made from the Boston account to another bank account on June 24, 2020, and that, on the same day, a wire transfer of \$77,898 was made to Mackenzie Motor Company in Hillsboro, Oregon.

Investigators contacted the general manager of Dick's Mackenzie Ford in Hillsboro and learned that an individual named Danny Michael Cohen had recently purchased a 2020 Ford F-350 Super Duty Lariat truck for \$77,898 using a counterfeit California driver's license. The general manager also told investigators that the individual had shown up at the dealership driving a 2020 Tesla Model X and provided his insurance card for the Tesla as part of the truck purchase. A review of law enforcement records revealed that the Tesla had recently been impounded by the Lake Oswego Police Department because the driver, David Unitan, had been operating the vehicle with a suspended license.

Investigators compared Unitan's Oregon DMV photo with the photo on the California driver's license provided to dealership and confirmed the likenesses appeared to match. The small business owner who had originally reported the fraud later confirmed that his company had previously contracted with David Unitan for video production. The business owner also confirmed the photo on the counterfeit California driver's license used to purchase the Ford pickup was indeed David Unitan.

Federal agents and Clackamas County Sheriff's deputies arrested Unitan at his home this morning pursuant to a warrant issued by the federal district court. Agents also seized the Ford pickup and Tesla sedan as proceeds of loans Unitan obtained through fraudulent EIDL and PPP loan applications.

This case was investigated by the Clackamas County Sheriff's Office and IRS-Criminal Investigation.

U.S. v. Jeremy Clawson

According to court documents, on August 11, 2020, the proceeds of an SBA EIDL totaling \$145,200 were deposited into an Umpqua Bank account owned by Jeremy Clawson and his girlfriend. Shortly after receiving the deposit, Clawson began making multiple large cash withdrawals at the drive-through window of an Umpqua Bank in Baker City, Oregon. On August 17, 2020, Clawson withdrew \$49,905 in the form of a cashier's check to purchase a 2016 Dodge Challenger. Umpqua Bank investigators detected the unusual activity and reported it to the SBA.

SBA loan documents showed that the loan was made for the benefit of Halperin Manufacturing Company in San Diego, California. Though there is no record of any such company, the loan application listed the company's owner and claimed it employed 350 people. Investigators contacted the person listed as the owner, but that person denied owning or being affiliated with any such company. The purported owner further stated that the company's supposed address in San Diego was that individual's personal residence and not a commercial property with 350 employees.

In early September 2020, investigators learned that, in late August, Clawson had been arrested by the Baker City Police Department for driving under the influence, reckless driving, driving with a suspended license, and attempting to allude police. Clawson was driving the 2016 Dodge Challenger at the time of his arrest. Clawson later told authorities that he had received a

large inheritance from his father, including \$30,000 in cash he had on his person during a subsequent arrest.

On September 11, 2020, investigators interviewed Clawson at the Baker County Jail where he was incarcerated on an unrelated charge. Clawson claimed to have received the \$145,200 from a woman with whom he had an online dating relationship. He further claimed that he didn't know what to do with the money and, after he stopped communicating with the woman, began spending the money himself. Clawson admitted to using the SBA money to purchase the Dodge Challenger and several other vehicles.

The United States District Court issued a warrant for Clawson's arrest, but he is currently serving a criminal sentence at the Snake River Correctional Institution following his convictions for felony driving under the influence and attempting to elude the police stemming from his August 2020 arrest. Federal agents also seized the Dodge Challenger and approximately \$50,000 in cash derived from the fraudulent EIDL pursuant to seizure warrants issued by the federal court and voluntary abandonment of funds in third parties' possession.

This case was investigated by SBA and the U.S. Secret Service.

Both cases are being prosecuted by Ryan W. Bounds, Assistant U.S. Attorney for the District of Oregon.

Criminal complaints are only accusations of a crime, and defendants are presumed innocent unless and until proven guilty.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the department's history at www.Justice.gov/Celebrating150Years.

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