



THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT *of* MINNESOTA

[U.S. Attorneys](#) » [District of Minnesota](#) » [News](#)

Department of Justice

U.S. Attorney's Office

District of Minnesota

FOR IMMEDIATE RELEASE

Wednesday, November 17, 2021

Eden Prairie Man Charged with Covid Relief Fraud, Money Laundering

MINNEAPOLIS – An Eden Prairie man has been arrested and charged for fraudulently applying for more than \$2.1 million in COVID-19 relief funds, announced Acting U.S. Attorney Charles J. Kovats.

According to court documents, Harold Bennie Kaeding, 72, applied for at least \$2,182,625 in loans through the Paycheck Protection Program (“PPP”) and the Economic Injury Disaster Loan (EIDL) Program between April and December 2020. Kaeding used the name of close family members to submit the loan applications in the name of four Minnesota entities, Harbor Holdings Corporation; Harbor Corp; AutoPay Inc.; and Voyager Shipping Company. These entities filed no tax returns and did not report the payment of wages to a single employee for calendar years 2019 and 2020. Kaeding submitted false and fraudulent applications to various lenders that included fabricated supporting records, false statements about the number of employees and the amount of payroll expenses, and false statements about the intended use of the loan proceeds. As a result of his material falsehoods and omissions, Kaeding received approximately \$658,490 in fraud proceeds, which he transferred to bank accounts that he controlled and for his personal use, including home mortgage payments and wire transfers to family and friends. Kaeding then fled to Colombia in an apparent attempt to evade prosecution.

Kaeding is charged with one count of wire fraud and one count of money laundering. Kaeding was deported from Colombia on November 12, 2021, and ultimately arrested on November 14, 2021 in Miami, Florida. He made his initial appearance today before Magistrate Judge Alicia Otazo-Reyes in U.S. District Court in the Southern District of Florida.

This case is the result of an investigation conducted by the FBI and IRS.

Assistant U.S. Attorney Jordan L. Sing is prosecuting the case.

An indictment is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

Topic(s):
Coronavirus

Financial Fraud

Component(s):
USAO - Minnesota

Updated November 17, 2021