

FILED CLERK, U.S. DISTRICT COURT 11/17/2020 CENTRAL DISTRICT OF CALIFORNIA BY: <u>DM</u> DEPUTY

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 2020 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

RICHARD AYVAZYAN,
aka "Richard Avazian" and
"Iuliia Zhadko,"
MARIETTA TERABELIAN,
aka "Marietta Abelian" and
"Viktorina Kauichko,"
ARTUR AYVAZYAN,
aka "Arthur Ayvazyan," and
TAMARA DADYAN,

Defendants.

CR 2:20-cr-00579-SVW

I N D I C T M E N T

[18 U.S.C. § 1349: Conspiracy to
Commit Bank Fraud and Wire Fraud;
18 U.S.C. § 1343: Wire Fraud; 18
U.S.C. § 1344(2): Bank Fraud; 18
U.S.C. § 1028A(a)(1): Aggravated
Identity Theft; 18 U.S.C. §§ 981,
982, 1028 and 28 U.S.C. § 2461(c):
Criminal Forfeiture]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1349]

[ALL DEFENDANTS]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1 THE DEFENDANTS

2 1. Defendant RICHARD AYVAZYAN, also known as ("aka") "Richard
3 Avazian" and "Iuliia Zhadko" ("R. AYVAZYAN"), was a resident of
4 Encino, California, within the Central District of California.

5 2. Defendant MARIETTA TERABELIAN, aka "Marietta Abelian" and
6 "Viktoria Kauichko," was a resident of Encino, California, within the
7 Central District of California. Defendant TERABELIAN and defendant
8 R. AYVAZYAN were married.

9 3. Defendant ARTUR AYVAZYAN, aka "Arthur Ayvazyan"
10 ("A. AYVAZYAN"), was a resident of Encino, California, within the
11 Central District of California. Defendant A. AYVAZYAN and defendant
12 R. AYVAZYAN were brothers.

13 4. Defendant TAMARA DADYAN was a resident of Encino,
14 California, within the Central District of California. Defendant
15 DADYAN and defendant A. AYVAZYAN were married.

16 THE PAYCHECK PROTECTION PROGRAM

17 5. The Coronavirus Aid, Relief, and Economic Security
18 ("CARES") Act was a federal law enacted in or about March 2020 that
19 was designed to provide emergency financial assistance to Americans
20 suffering economic harm as a result of the COVID-19 pandemic. One
21 form of assistance provided by the CARES Act was the authorization of
22 United States taxpayer funds in forgivable loans to small businesses
23 for job retention and certain other expenses, through a program
24 referred to as the Paycheck Protection Program ("PPP").

25 6. In order to obtain a PPP loan, a qualifying business was
26 required to submit a PPP loan application signed by an authorized
27 representative of the business. The PPP loan application required
28 the small business (through its authorized representative) to

1 acknowledge the program rules and make certain affirmative
2 certifications in order to be eligible to obtain the PPP loan. One
3 such certification required the applicant to affirm that "[t]he [PPP
4 loan] funds w[ould] be used to retain workers and maintain payroll or
5 make mortgage interest payments, lease payments, and utility
6 payments." The applicant (through its authorized representative) was
7 also required to acknowledge that "I understand that if the funds are
8 used for unauthorized purposes, the federal government may pursue
9 criminal fraud charges." In the PPP loan application, the applicant
10 was required to state, among other things, its: (a) average monthly
11 payroll expenses; and (b) number of employees. These figures were
12 used to calculate the amount of money the small business was eligible
13 to receive under the PPP. In addition, the applicant was required to
14 provide documentation showing its payroll expenses.

15 7. A business's PPP loan application was received and
16 processed, in the first instance, by a participating financial
17 institution. If a PPP loan application was approved, the
18 participating financial institution would fund the PPP loan using its
19 own monies.

20 8. PPP loan proceeds were required to be used by the business
21 on certain permissible expenses, namely, payroll costs, interest on
22 mortgages, rent, and utilities. The PPP allowed the interest and
23 principal on the PPP loan to be entirely forgiven if the business
24 spent the loan proceeds on these expenses within a designated period
25 of time and used at least a minimum amount of the PPP loan proceeds
26 towards payroll expenses.

1 THE ECONOMIC INJURY DISASTER LOAN PROGRAM

2 9. The Economic Injury Disaster Loan Program ("EIDL") was a
3 United States Small Business Administration ("SBA") program that
4 provided low-interest financing to small businesses, renters, and
5 homeowners in regions affected by declared disasters.

6 10. The CARES Act authorized the SBA to provide EIDL loans of
7 up to \$2 million to eligible small businesses experiencing
8 substantial financial disruption due to the COVID-19 pandemic.

9 11. To obtain an EIDL loan, a qualifying business was required
10 to submit an application to the SBA and provide information about the
11 business's operations, such as the number of employees, gross
12 revenues for the 12-month period preceding the disaster, and cost of
13 goods sold in the 12-month period preceding the disaster. In the
14 case of EIDL loans for COVID-19 relief, the 12-month period was the
15 12-month period from January 31, 2019, to January 31, 2020. The
16 applicant was also required to certify that all of the information in
17 the application was true and correct to the best of the applicant's
18 knowledge.

19 12. EIDL loan applications were submitted directly to the SBA
20 and processed by the agency with support from a government
21 contractor. The amount of the loan, if the application was approved,
22 was determined based, in part, on the information provided by the
23 applicant about employment, revenue, and cost of goods sold, as
24 described in paragraph 11 above. Any funds issued under an EIDL loan
25 were issued directly by the SBA.

26 13. EIDL loan funds could be used for payroll expenses, sick
27 leave, production costs, and business obligations, such as debts,
28 rent, and mortgage payments. If the applicant also obtained a loan

1 under the PPP, the EIDL loan funds could not be used for the same
2 purpose as the PPP loan funds.

3 RELEVANT LENDING INSTITUTIONS

4 14. Lenders A, B, C, D, and E were financial institutions
5 insured by the Federal Deposit Insurance Company ("FDIC") that were
6 approved SBA lenders of PPP loans.

7 BANK ACCOUNTS CONTROLLED BY THE DEFENDANTS

8 15. Banks 1, 2, 3, 4, 5, and 6 were financial institutions
9 insured by the FDIC.

10 16. Defendant R. AYVAZIAN controlled and was a signatory (in
11 his legal name or using one of his aliases) on the following bank
12 accounts:

13 a. A business checking account at Bank 1 in the name of
14 "Timeline Transport, Inc." (the "Timeline Transport Bank 1 Account");

15 b. A business checking account at Bank 2 in the name of
16 "Inception Ventures Inc." (the "Inception Ventures Bank 2 Account");

17 and

18 c. A business checking account at Bank 3 in the name of
19 "Iuliia Zhadko dba Top Quality Contracting" (the "TQC Bank 3
20 Account").

21 17. Defendant TERABELIAN controlled and was a signatory (in her
22 legal name or using one of her aliases) on the following bank
23 accounts:

24 a. A personal checking account at Bank 2 in the name of
25 TERABELIAN (the "Terabelian Bank 2 Account"); and

26 b. A business checking account at Bank 2 in the name of
27 "Runyan Tax Service Inc." (the "Runyan Tax Bank 2 Account").
28

1 18. Defendant A. AYVAZYAN controlled and was a signatory (in
2 his legal name or using his alias) on the following bank accounts:

3 a. A business checking account at Bank 2 in the name of
4 "Allstate Towing and Transport LLC" (the "Allstate Towing Bank 2
5 Account"); and

6 b. A business checking account at Bank 4 in the name of
7 "Allstate Towing and Transport LLC" (the "Allstate Towing Bank 4
8 Account").

9 19. Defendant DADYAN controlled and was a signatory on the
10 following bank accounts:

11 a. A business checking account at Bank 3 in the name of
12 "Secureline Realty and Funding, Inc." (the "Secureline Realty Bank 3
13 Account");

14 b. A business checking account at Bank 5 in the name of
15 "ABC Realty Advisors, Inc." (the "ABC Realty Bank 5 Account"); and

16 c. A business checking account at Bank 6 in the name of
17 "Secureline Realty and Funding, Inc." (the "Secureline Realty Bank 6
18 Account").

19 B. THE OBJECTS OF THE CONSPIRACY

20 20. Beginning no later than in or around March 2020 and
21 continuing until at least in or around July 2020, in Los Angeles
22 County, within the Central District of California, and elsewhere,
23 defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN,
24 conspired with one another and with others known and unknown to the
25 Grand Jury to commit: (a) wire fraud, in violation of Title 18,
26 United States Code, Section 1343; (b) bank fraud, in violation of
27 Title 18, United States Code, Section 1344(2).
28

1 C. THE MANNER AND MEANS OF THE CONSPIRACY

2 21. The objects of the conspiracy were to be carried out, and
3 were carried out, in substance, as follows:

4 a. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
5 DADYAN, together with other coconspirators, used and caused to be
6 used, stolen, fictitious, or synthetic identities of individuals to
7 submit fraudulent applications for PPP and EIDL loans;

8 b. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
9 DADYAN, together with other coconspirators, would use, and cause to
10 be used, stolen, fictitious, and synthetic business names to submit
11 fraudulent applications for PPP and EIDL loans;

12 c. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
13 DADYAN, together with other coconspirators, would make, and cause to
14 be made, false statements to the SBA and financial institutions in
15 connection with the fraudulent applications for PPP and EIDL loans,
16 including false representations regarding the number of employees to
17 whom the companies had paid wages and false certifications that the
18 loans would be used for permissible business purposes.

19 d. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
20 DADYAN, together with other coconspirators, would electronically
21 submit, and cause to be submitted, false and fictitious documents to
22 the SBA and financial institutions in support of the fraudulent PPP
23 and EIDL loan applications, including false or fictitious tax
24 documents, payroll records, bank records, and identification
25 documents.

26 e. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
27 DADYAN, together with other coconspirators, would direct that PPP and
28 EIDL loan proceeds be deposited into bank accounts that defendants

1 R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN, and their
2 coconspirators controlled.

3 f. Defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and
4 DADYAN, and their coconspirators, would use the fraudulently obtained
5 PPP and EIDL loan proceeds for their own personal benefit and for the
6 benefit of their coconspirators, including for expenses prohibited
7 under the requirements of the PPP and EIDL programs, such as the
8 purchase of residential properties at Address 1 in Tarzana,
9 California ("Residential Property 1"), and Address 2 in Glendale,
10 California ("Residential Property 2").

11 22. As part of the conspiracy, between in or around March 2020
12 and in or around July 2020, defendants R. AYVAZYAN, TERABELIAN,
13 A. AYVAZYAN, and DADYAN, together with other coconspirators,
14 submitted and caused the submission of at least 35 fraudulent PPP and
15 EIDL loan applications seeking a total of at least \$5.6 million in
16 PPP and EIDL proceeds from the SBA and financial institutions and
17 received a total of at least \$4.6 million in PPP and EIDL loan
18 proceeds from the SBA and financial institutions.

19 D. OVERT ACTS

20 23. On or about the following dates, in furtherance of the
21 conspiracy and to accomplish its objects, defendants R. AYVAZYAN,
22 TERABELIAN, A. AYVAZYAN, and DADYAN, together with other
23 conspirators, committed and willfully caused others to commit the
24 following overt acts, among others, within the Central District of
25 California:

26 **Secureline Realty PPP Loans**

27 Overt Act No. 1: On or about April 22, 2020, defendant DADYAN
28 submitted and caused to be submitted to Lender D an application in

1 the name of Secureline Realty and Funding, Inc. ("Secureline Realty")
2 seeking a PPP loan in the amount of \$122,838, which application:
3 (a) falsely represented that Secureline Realty had eight employees,
4 including employees for whom it had paid wages and payroll taxes; and
5 (b) falsely certified Secureline Realty would use the loan proceeds
6 for permissible business purposes.

7 Overt Act No. 2: On or about April 22, 2020, defendant DADYAN
8 submitted and caused to be submitted to Lender D false and fraudulent
9 documents in support of the Secureline Realty PPP loan application,
10 including the following:

11 a. A fake Internal Revenue Service ("IRS") Form 940 for
12 2019, which falsely represented that Secureline Realty had paid
13 \$589,623 to its employees in 2019.

14 b. A fake IRS Form 941 for the first quarter of 2020,
15 which falsely represented that Secureline Realty had paid \$151,842 to
16 its employees during that period.

17 Overt Act No. 3: On or about May 7, 2020, defendant DADYAN
18 caused Lender D to wire approximately \$122,838 in proceeds from the
19 Secureline Realty PPP loan to Secureline Realty Bank 3 Account.

20 Overt Act No. 4: On or about May 9, 2020, defendant DADYAN
21 submitted and caused to be submitted to Lender E an application in
22 the name of Secureline Realty seeking a PPP loan in the amount of
23 \$137,500, which application: (a) falsely represented that Secureline
24 Realty had eight employees, including employees for whom it had paid
25 wages and payroll taxes; and (b) falsely certified Secureline Realty
26 would use the loan proceeds for permissible business purposes.

1 Overt Act No. 5: On or about May 11, 2020, defendant DADYAN
2 caused Lender E to wire approximately \$137,500 in proceeds from the
3 Secureline Realty PPP loan to Secureline Realty Bank 6 Account.

4 Overt Act No. 6: On or about May 27, 2020, defendant DADYAN
5 caused a check for approximately \$136,000, drawn on Secureline Realty
6 Bank 6 Account and comprised in substantial part of the PPP loan
7 proceeds for Secureline Realty, to be deposited into ABC Realty Bank
8 5 Account.

9 Overt Act No. 7: On or about June 12, 2020, defendant DADYAN
10 caused approximately \$120,010, which in substantial part came from
11 the PPP loan proceeds for Secureline Realty, to be withdrawn from
12 Secureline Realty Bank 3 Account and subsequently caused
13 approximately \$120,000 to be deposited to ABC Realty Bank 5 Account.

14 Overt Act No. 8: On or about June 17, 2020, defendant DADYAN
15 caused approximately \$200,000 to be wired from ABC Realty Bank 5
16 Account to Inception Ventures Bank 2 Account, for which defendant
17 R. AYVAZYAN was the sole signatory.

18 Overt Act No. 9: On or about June 22, 2020, defendant
19 R. AYVAZYAN caused approximately \$435,000, which in part came from
20 the approximately \$200,000 in PPP loan funds defendant R. AYVAZYAN
21 received from defendant DADYAN, to be wired from Inception Ventures
22 Bank 2 Account to Escrow Company 1 to be used to as part of the
23 \$3,250,000 purchase price for Residential Property 1, which was
24 purchased in the names of defendants R. AYVAZYAN and TERABELIAN.

25 **Top Quality Contracting PPP Loan**

26 Overt Act No. 10: On or about April 30, 2020, defendant
27 R. AYVAZYAN, using the name of M.Z., submitted and caused to be
28

1 submitted to Lender B an application in the name of Top Quality
2 Contracting ("TQC"), seeking a PPP loan in the amount of \$130,000.

3 Overt Act No. 11: On or about April 30, 2020, in connection
4 with the TQC PPP loan application, defendant R. AYVAZYAN submitted
5 and caused to be submitted to Lender B a fake copy of M.Z.'s
6 California driver's license and a false IRS Form 940 purportedly
7 prepared and filed by M.Z.

8 Overt Act No. 12: On or about May 8, 2020, defendant
9 R. AYZAYAN caused Lender B to wire approximately \$130,000 in proceeds
10 from the TQC PPP loan to TQC Bank 3 Account, which listed defendant
11 R. AYVAZYAN's alias "Iuliia Zhadko" and M.Z. as the only signatories.

12 **Allstate Towing PPP Loan**

13 Overt Act No. 13: On or about May 2, 2020, defendant
14 A. AYVAZYAN submitted and caused to be submitted to Lender C an
15 application in the name of Allstate Towing and Transport LLC
16 ("Allstate Towing") seeking a PPP loan in the amount of \$124,000,
17 which application: (a) falsely represented that Allstate Towing had
18 11 employees, including employees for whom it had paid wages and
19 payroll taxes; and (b) falsely certified Allstate Towing would use
20 the loan proceeds for permissible business purposes.

21 Overt Act No. 14: On or about May 2, 2020, defendant
22 A. AYVAZYAN submitted and caused to be submitted to Lender C false
23 and fraudulent documents in support of the Allstate Towing PPP loan
24 application, including the following:

25 a. A fake IRS Form 940 for 2019, which falsely
26 represented that Allstate Towing had paid \$546,000 to its employees
27 in 2019.

1 b. A fake IRS Form 941 for the first quarter of 2020,
2 which falsely represented that Allstate Towing had paid \$136,500 to
3 its employees during that period.

4 Overt Act No. 15: On or about May 5, 2020, defendant
5 A. AYVAZYAN caused Lender C to wire approximately \$124,000 in
6 proceeds from the Allstate Towing PPP loan to Allstate Towing Bank 4
7 Account.

8 Overt Act No. 16: On or about May 21, 2020, defendant
9 A. AYVAZYAN caused approximately \$80,000, which in substantial part
10 came from the Allstate Towing PPP loan proceeds, to be wired from
11 Allstate Towing Bank 4 Account to Allstate Towing Bank 2 Account.

12 Overt Act No. 17: On or about June 3, 2020, defendant
13 A. AYVAZYAN caused approximately \$93,000, which in substantial part
14 came from the Allstate Towing PPP loan proceeds, to be wired from
15 Allstate Towing Bank 2 Account to Escrow Company 1 to be used as part
16 of the \$3,250,000 purchase price for Residential Property 1, which
17 was purchased in the names of defendants R. AYVAZYAN and TERABELIAN.

18 **G&A Diamonds and Redline Auto Collision Loans**

19 Overt Act No. 18: On or about May 3, 2020, defendants
20 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
21 submitted and caused to be submitted to Lender C an application in
22 the name of G&A Diamonds seeking a PPP loan in the amount of
23 approximately \$113,750.

24 Overt Act No. 19: On or about May 5, 2020, defendants
25 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
26 caused Lender C to wire approximately \$113,750 in proceeds from the
27 G&A Diamonds PPP loan to G&A Diamonds' Bank 4 account (the "G&A
28 Diamonds Bank 4 Account").

1 Overt Act No. 20: On or about June 2, 2020, defendants
2 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
3 submitted and caused to be submitted to the SBA an application in the
4 name of Redline Auto Collision Inc. ("Redline Auto") seeking an EIDL
5 loan in the amount of approximately \$150,000.

6 Overt Act No. 21: On or about June 8, 2020, defendants
7 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
8 caused the SBA to wire approximately \$149,900 in proceeds from the
9 Redline Auto EDIL loan to Redline Auto's Bank 5 account (the "Redline
10 Auto Bank 5 Account").

11 Overt Act No. 22: On or about June 14, 2020, defendants
12 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
13 submitted and caused to be submitted to the SBA an application in the
14 name of G&A Diamonds seeking an EIDL loan in the amount of
15 approximately \$150,000.

16 Overt Act No. 23: On or about June 16, 2020, defendants
17 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
18 caused the SBA to wire approximately \$149,900 to G&A Diamonds Bank 4
19 Account.

20 Overt Act No. 24: On or about June 17, 2020, defendants
21 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
22 caused approximately \$150,000, comprised in substantial part of the
23 proceeds from the Redline Auto EIDL loan, to be wired from Redline
24 Auto Bank 5 Account to Terabelian Bank 2 Account.

25 Overt Act No. 25: On or about June 19, 2020, defendants
26 R. AYVAZYAN and TERABELIAN, together with other coconspirators,
27 caused approximately \$100,000, which in substantial part came from
28

1 the proceeds from the G&A Diamonds PPP and EIDL loans, to be wired
2 from G&A Diamonds Bank 4 Account to Terabelian Bank 2 Account.

3 Overt Act No. 26: On or about June 22, 2020, defendants
4 R. AYVAZYAN and TERABELIAN caused approximately \$565,000, which in
5 substantial part came from PPP and EIDL loan funds obtained from the
6 SBA and financial institutions in the name of G&A Diamonds and
7 Redline Auto, to be wired from Terabelian Bank 2 Account to Escrow
8 Company 1 to be used as part of the \$3,250,000 purchase price for
9 Residential Property 1, which was purchased in the names of
10 defendants R. AYVAZYAN and TERABELIAN.

11 **Timeline Transport EIDL Loan**

12 Overt Act No. 27: On or about June 15, 2020, defendant
13 R. AYVAZYAN, using the alias "Iuliia Zhadko," submitted and caused to
14 be submitted to the SBA an application in the name of Timeline
15 Transport, Inc. ("Timeline Transport") seeking an EIDL loan in the
16 amount of approximately \$150,000, which application: (a) falsely
17 represented that "Iuliia Zhadko" had owned Timeline Transport since
18 2016 and was the company's Chief Executive Officer; (b) falsely
19 represented that Timeline Transport had 22 employees, including
20 employees for whom it had paid wages and payroll taxes; and
21 (c) falsely certified Timeline Transport would use the loan proceeds
22 for permissible business purposes.

23 Overt Act No. 28: On or about June 22, 2020, defendant
24 R. AYVAZYAN caused the SBA to wire approximately \$149,900 in proceeds
25 from the Timeline Transport EIDL loan to Timeline Transport Bank 1
26 Account.

27 Overt Act No. 29: On or about June 24, 2020, defendant
28 R. AYVAZYAN caused approximately \$110,000, which in substantial part

1 came from the Timeline Transport EIDL loan proceeds, to be wired from
2 Timeline Transport Bank 1 Account to Escrow Company 1 to be used as
3 part of the \$3,250,000 purchase price for Residential Property 1,
4 which was purchased in the names of defendants R. AYVAZYAN and
5 TERABELIAN.

6 **Runyan Tax Service PPP Loan**

7 Overt Act No. 30: On or about July 13, 2020, defendant
8 R. AYVAZYAN and defendant TERABELIAN, using her alias "Viktor
9 Kauichko," submitted and caused to be submitted to Lender A an
10 application in the name of Runyan Tax Service, Inc. ("Runyan Tax
11 Service") seeking a PPP loan in the amount of \$276,653, which
12 application: (a) falsely represented that Runyan Tax Service had 22
13 employees, including employees for whom it had paid wages and payroll
14 taxes; and (b) falsely certified Runyan Tax Service would use the
15 loan proceeds for permissible business purposes.

16 Overt Act No. 31: On or about July 13, 2020, defendants
17 R. AYVAZYAN and TERABELIAN submitted and caused to be submitted to
18 Lender A false and fraudulent documents in support of the Runyan Tax
19 Service PPP loan application, including a fraudulent California
20 driver's license purportedly belonging to "Viktor
21 kauichko," and a
22 federal tax filing representing "Viktor
23 kauichko" as Runyan Tax
24 Service's President, even though defendants R. AYVAZYAN and
TERABELIAN knew at the time that "Viktor
kauichko" was a fake and
synthetic identity.

25 Overt Act No. 32: On or about July 21, 2020, defendants
26 R. AYVAZYAN and TERABELIAN caused Lender A to wire approximately
27 \$276,653 in proceeds from the Runyan Tax Service PPP loan to Runyan
28 Tax Bank 2 Account.

1 Overt Act No. 33: On or about July 23, 2020, defendants
2 R. AYVAZYAN and TERABELIAN caused approximately \$238,614, which in
3 substantial part came from the Runyan Tax Service PPP loan proceeds,
4 to be transferred from Runyan Tax Bank 2 Account to Escrow Company 2
5 to be used as part of the approximately \$1,000,000 purchase price for
6 Residential Property 2, which was purchased in the name of defendant
7 R. AYVAZYAN's alias "Iuliia Zhadko."

COUNTS TWO THROUGH SEVEN

[18 U.S.C. §§ 1343, 2(a)]

[ALL DEFENDANTS]

24. The Grand Jury re-alleges paragraphs 1 through 19 and 21 through 23 of this Indictment here.

A. THE SCHEME TO DEFRAUD

25. Beginning no later than in or around March 2020 and continuing until at least in or around July 2020, in Los Angeles County, within the Central District of California, and elsewhere, defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN, together with others known and unknown to the Grand Jury, knowingly and with intent to defraud, devised, participated in, and executed a scheme to defraud the SBA and financial institutions as to material matters, and to obtain moneys, funds, assets, and other property owned by and in the custody and control of the SBA and financial institutions by means of material false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

26. The fraudulent scheme operated and was carried out, in substance, as described in paragraphs 21 through 23 of this Indictment.

B. USE OF THE WIRES

27. On or about the dates set forth below, in Los Angeles County, within the Central District of California, and elsewhere, for the purpose of executing the above-described scheme to defraud, defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN, together with others known and unknown to the Grand Jury, aiding and abetting each other, transmitted and caused the transmission of the following

items by means of wire and radio communication in interstate and
foreign commerce:

COUNT	DATE	INTERSTATE WIRE TRANSMISSION
TWO	May 5, 2020	Transfer of approximately \$124,000 in PPP loan proceeds from Lender C, sent by means of an interstate wire, into Allstate Towing Bank 4 Account
THREE	May 8, 2020	Transfer of approximately \$130,000 in PPP loan proceeds from Lender B, sent by means of an interstate wire, into TQC Bank 3 Account
FOUR	May 11, 2020	Transfer of approximately \$137,500 in PPP loan proceeds from Lender E, sent by means of an interstate wire, into Secureline Realty Bank 6 Account
FIVE	June 16, 2020	Transfer of approximately \$149,900 in EIDL loan proceeds from the SBA, sent by means of an interstate wire, into G&A Diamonds Bank 4 Account
SIX	June 17, 2020	Transfer of approximately \$150,000 in EIDL loan proceeds from the Redline Auto Bank 5 Account, sent by means of an interstate wire, to Terabelian Bank 2 Account
SEVEN	June 22, 2020	Transfer of approximately \$149,900 in EIDL loan proceeds from the SBA, sent by means of an interstate wire, into Timeline Transport Bank 1 Account

COUNTS EIGHT THROUGH ELEVEN

[18 U.S.C. §§ 1344(2), 2]

[ALL DEFENDANTS]

28. The Grand Jury re-alleges paragraphs 1 through 19 and 21 through 23 of this Indictment here.

A. THE SCHEME TO DEFRAUD

29. Beginning no later than in or around March 2020 and continuing until at least in or around July 2020, in Los Angeles County, within the Central District of California, and elsewhere, defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN, together with others known and unknown to the Grand Jury, knowingly and with intent to defraud, devised, participated in, executed, and attempted to execute a scheme to obtain moneys, funds, credits, assets, and other property owned by and in the custody and control of federally-insured financial institutions by means of material false and fraudulent pretenses, representations, and promises, and the concealment of material facts.

30. The fraudulent scheme operated and was carried out, in substance, as described in paragraphs 21 through 23 of this Indictment.

B. EXECUTIONS OF THE SCHEME

31. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, defendants R. AYVAZYAN, TERABELIAN, A. AYVAZYAN, and DADYAN, together with others known and unknown to the Grand Jury, aiding and abetting each other, committed and willfully caused others to commit the following acts, each of which constituted an execution of the fraudulent scheme:

COUNT	DATE	ACT
EIGHT	April 30, 2020	Submission of application for PPP loan to Lender B in the name of TQC
NINE	May 2, 2020	Submission of application for PPP loan to Lender C in the name of Allstate Towing
TEN	May 9, 2020	Submission of application for PPP loan to Lender E in the name of Secureline Realty
ELEVEN	July 13, 2020	Submission of application for PPP loan to Lender A in the name of Runyan Tax Service

COUNT TWELVE

[18 U.S.C. §§ 1028A(a)(1), 2(b)]

[Defendant R. AYVAZYAN]

32. The Grand Jury re-alleges paragraphs 1 through 19 and 21 through 23 of this Indictment here.

33. Beginning no later than in or around March 2020 and continuing until at least in or around July 2020, in Los Angeles County, within the Central District of California, and elsewhere, defendant R. AYVAZYAN knowingly transferred, possessed, and used, and willfully caused to be transferred, possessed, and used, without lawful authority, a means of identification that defendant R. AYVAZYAN knew belonged to another person, namely, the name of M.Z., during and in relation to bank fraud, a felony violation of Title 18, United States Code, Section 1344(2), as charged in Count Eight of this Indictment.

FORFEITURE ALLEGATION ONE

[18 U.S.C. § 982]

34. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(2), and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction of the offense set forth in Count One of this Indictment.

35. The defendant so convicted shall forfeit to the United States of America the following:

a. all right, title and interest in any and all property, real or personal, constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of the offense, including, but not limited to, certain real property referred to herein as Residential Property 1 located in the County of Los Angeles, State of California, APN 2176-029-031, and certain real property referred to herein as Residential Property 2 located in the County of Los Angeles, State of California, APN 5663-036-033; and

b. To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

36. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b) and Title 28, United States Code, Section 2461(c), any defendant so convicted shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of said defendant, the property described in the preceding paragraph, or any portion thereof: (a) cannot be

1 located upon the exercise of due diligence; (b) has been transferred,
2 sold to or deposited with a third party; (c) has been placed beyond
3 the jurisdiction of the court; (d) has been substantially diminished
4 in value; or (e) has been commingled with other property that cannot
5 be divided without difficulty.

FORFEITURE ALLEGATION TWO

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

37. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction of the offenses set forth in any of Counts Two through Seven of this Indictment.

38. The defendant, if so convicted, shall forfeit to the United States of America the following:

a. all right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offenses, including, but not limited to, certain real property referred to herein as Residential Property 1 located in the County of Los Angeles, State of California, APN 2176-029-031, and certain real property referred to herein as Residential Property 2 located in the County of Los Angeles, State of California, APN 5663-036-033; and

b. to the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

39. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), the defendant, if so convicted, shall forfeit substitute property, up to the value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph or any portion thereof (a)

1 cannot be located upon the exercise of due diligence; (b) has been
2 transferred, sold to, or deposited with a third party; (c) has been
3 placed beyond the jurisdiction of the court; (d) has been
4 substantially diminished in value; or (e) has been commingled with
5 other property that cannot be divided without difficulty.

FORFEITURE ALLEGATION THREE

[18 U.S.C. § 982]

40. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(2), and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction of the offenses set forth in any of Counts Eight through Eleven of this Indictment.

41. Any defendant so convicted shall forfeit to the United States of America the following:

a. all right, title and interest in any and all property, real or personal, constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of the offense, including, but not limited to, certain real property referred to herein as Residential Property 1 located in the County of Los Angeles, State of California, APN 2176-029-031, and certain real property referred to herein as Residential Property 2 located in the County of Los Angeles, State of California, APN 5663-036-033; and

b. to the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

42. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b) and Title 28, United States Code, Section 2461(c), any defendant so convicted shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of said defendant, the property described in

1 the preceding paragraph, or any portion thereof: (a) cannot be
2 located upon the exercise of due diligence; (b) has been transferred,
3 sold to or deposited with a third party; (c) has been placed beyond
4 the jurisdiction of the court; (d) has been substantially diminished
5 in value; or (e) has been commingled with other property that cannot
6 be divided without difficulty.

FORFEITURE ALLEGATION FOUR

[18 U.S.C. §§ 982 and 1028 and 28 U.S.C. § 2461(c)]

43. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Sections 982 and 1028 and Title 28, United States Code, Section 2461(c) in the event of the conviction of defendant RICHARD AYVAZYAN, also known as ("aka") "Richard Avazian," and "Iuliia Zhadko," of the offense set forth in Count Twelve of this Indictment.

44. The defendant, if so convicted, shall forfeit to the United States of America the following:

a. all right, title and interest in any and all property, real or personal, constituting, or derived from, any proceeds obtained, directly or indirectly, as a result of the offense, including, but not limited to, certain real property referred to herein as Residential Property 1 located in the County of Los Angeles, State of California, APN 2176-029-031, and certain real property referred to herein as Residential Property 2 located in the County of Los Angeles, State of California, APN 5663-036-033;

b. any personal property used or intended to be used to commit the offense; and

c. to the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraphs (a) and (b).

45. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Sections 982(b) and 1028(g), the defendant, if so convicted, shall forfeit substitute

1 property, up to the total value of the property described in the
2 preceding paragraph if, as the result of any act or omission of the
3 defendant, the property described in the preceding paragraph, or any
4 portion thereof: (a) cannot be located upon the exercise of due
5 diligence; (b) has been transferred, sold to or deposited with a
6 third party; (c) has been placed beyond the jurisdiction of the
7 court; (d) has been substantially diminished in value; or (e) has
8 been commingled with other property that cannot be divided without
9 difficulty.

10 A TRUE BILL

11 /S/

12 _____
Foreperson

13 NICOLA T. HANNA
14 United States Attorney

15 
16 BRANDON D. FOX
17 Assistant United States Attorney
Chief, Criminal Division

18 RANEE A. KATZENSTEIN
19 Assistant United States Attorney
Chief, Major Frauds Section

20 DANIEL A. KAHN
21 Acting Chief, Fraud Section
Criminal Division
United States Department of Justice

22 KRISTEN A. WILLIAMS
23 Assistant United States Attorney
Deputy Chief, Major Frauds Section

24 JULIAN L. ANDRÉ
25 Assistant United States Attorney
Major Frauds Section

26 CHRISTOPHER FENTON
27 Trial Attorney, Fraud Section
Criminal Division
28 United States Department of Justice