

Apr 15, 2021

ANGELA E. NOBLE
CLERK U.S. DIST. CT.
S.D. OF FLA. - MIAMI

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
21-20231-CR-MIDDLEBROOKS/MCALILEY
CASE NO. _____

18 U.S.C. § 1343

18 U.S.C. § 982(a)(2)

UNITED STATES OF AMERICA

vs.

CARLOS VAZQUEZ,

Defendant.

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times material to this Indictment:

The Paycheck Protection Program

1. The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was a federal law enacted in or around March 2020 and designed to provide emergency financial assistance to the millions of Americans who are suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of forgivable loans to small businesses for job retention and certain other expenses, through a program referred to as the Paycheck Protection Program (“PPP”).

2. The types of businesses eligible for a PPP loan included limited liability companies (LLC). To obtain a PPP loan, a qualifying LLC submitted a PPP loan application (Small Business Administration (“SBA”) Form 2483), signed by an authorized representative. The PPP loan application required the authorized representative to acknowledge the program rules and make

certain affirmative certifications to be eligible to obtain the PPP loan. In addition, the authorized representative had to report and document the LLC's wages and tax statements for its employees, as typically reported to the Internal Revenue Service ("IRS") on Form W3. The lending institution used this report and documentation to calculate the amount of money the applicant was entitled to receive under the PPP.

3. A PPP loan application had to be processed by a participating lender. If a PPP loan application was approved, the participating lender funded the PPP loan using its own monies. While it was the participating lender that issued the PPP loan, the loan was fully guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA in the course of processing the loan.

4. PPP loan proceeds were required to be used by the business on certain permissible expenses—payroll costs, interest on mortgages, rent, and utilities. The PPP allowed the interest and principal on the PPP loan to be entirely forgiven if the business spent the loan proceeds on these expense items within a designated period of time and used a defined portion of the PPP loan proceeds on payroll expenses.

The Defendant and Relevant Entities

5. Big League L.L.C was a corporation organized under the laws of the State of Florida and was originally incorporated on or about May 23, 2016. The corporation was administratively dissolved because it failed to file annual reports for the years 2018, 2019, and 2020.

6. On or about June 24, 2020, Big League L.L.C was reinstated with the Florida Department of State, Division of Corporations, and filed annual reports for the years 2018, 2019, and 2020.

7. **CARLOS VAZQUEZ**, a resident of Miami-Dade County, Florida, was listed as the CEO and registered agent of Big League L.L.C.

8. Lender 1 was a financial technology company based in Atlanta, Georgia. Lender 1 was an approved SBA lender for PPP loans.

COUNTS 1-2
Wire Fraud
(18 U.S.C. § 1343)

1. Paragraphs 1 through 8 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From on or about June 18, 2020, and continuing through on or about January 29, 2021, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

CARLOS VAZQUEZ

did knowingly, and with the intent to defraud, devise, and intend to devise, a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and, for the purpose of executing the scheme and artifice, did knowingly transmit and cause to be transmitted, by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE SCHEME AND ARTIFICE

3. The purpose of the scheme and artifice was for **CARLOS VAZQUEZ** to unlawfully enrich himself by submitting a false and fraudulent PPP application to obtain loan proceeds for his own use and gain.

THE SCHEME AND ARTIFACE

The manner and means by which **CARLOS VAZQUEZ** sought to accomplish the purpose of the scheme and artifice included, among others, the following:

4. On or about June 24, 2020, **CARLOS VAZQUEZ** reinstated Big League L.L.C with the Florida Department of State.

5. On or about June 29, 2020, **CARLOS VAZQUEZ** opened a business bank account for Big League L.L.C at Chase Bank.

6. On or about June 30, 2020, **CARLOS VAZQUEZ** submitted to Lender 1 and the SBA, via interstate wire communications, a false and fraudulent PPP loan application for Big League L.L.C.

7. The PPP loan application falsely represented, among other things, Big League L.L.C's operational status, monthly payroll and number of employees.

8. As a result of the false and fraudulent PPP loan application, Lender 1 and the SBA deposited loan proceeds in the amount of \$921,875 into a bank account controlled by **CARLOS VAZQUEZ**.

USE OF WIRES

9. On or about the dates specified below, in the Southern District of Florida, and elsewhere, **CARLOS VAZQUEZ**, for the purpose of executing and in furtherance of the aforesaid

scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, did knowingly transmit and cause to be transmitted in interstate and foreign commerce, by means of wire communication, certain writings, signs, signals, pictures, and sounds, as described below:

COUNT	APPROXIMATE DATE	DESCRIPTION OF WIRE
1	June 30, 2020	Electronic transmission of a PPP loan application, causing a wire transmission from the Southern District of Florida to outside of Florida
2	July 6, 2020	Deposit in the amount of \$921,875 from Lender 1 to a JP Morgan Chase account ending in 5925 controlled by CARLOS VAZQUEZ , causing a wire transmission from outside of Florida to the Southern District of Florida

FORFEITURE ALLEGATIONS

1. The allegations of this Indictment are hereby re-alleged and by this reference fully incorporated herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **CARLOS VAZQUEZ**, has an interest.

2. Upon conviction of a violation of Title 18, United States Code, Section 1343, as alleged in this Indictment, the defendant, **CARLOS VAZQUEZ**, shall forfeit to the United States any property constituting, or derived from, proceeds obtained, directly or indirectly, as a result of such violation, pursuant to Title 18, United States Code, Section 982(a)(2)(A).

All pursuant to Title 18, United States Code, Section 982(a)(2)(A), and the procedures set forth in Title 21, United States Code, Section 853, as incorporated by Title 28, United States Code, Section 2461.

A TRUE BILL

FOREPERSON

 for:

JUAN ANTONIO GONZALEZ
ACTING UNITED STATES ATTORNEY



HAYDEN P. O'BYRNE
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

CASE NO. _____

v.

Carlos Vazquez,

CERTIFICATE OF TRIAL ATTORNEY*

Superseding Case Information:

Defendant _____

Court Division: (Select One)

☒ Miami ☐ Key West
☐ FTL ☐ WPB ☐ FTP

 New defendant(s) Yes ☐ No ☐
 Number of new defendants _____
 Total number of counts _____

- I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
- I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.
- Interpreter: (Yes or No) No
List language and/or dialect _____
- This case will take 5 days for the parties to try.
- Please check appropriate category and type of offense listed below:

(Check only one)

- I 0 to 5 days ☒
 II 6 to 10 days _____
 III 11 to 20 days _____
 IV 21 to 60 days _____
 V 61 days and over _____

(Check only one)

- Petty _____
 Minor _____
 Misdem. _____
 Felony ☒

6. Has this case previously been filed in this District Court? (Yes or No) No

If yes: Judge _____

Case No. _____

(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) Yes

21-mj-02512-CMM

If yes: Magistrate Case No. _____

Related miscellaneous numbers: _____

Defendant(s) in federal custody as of _____

Defendant(s) in state custody as of _____

Rule 20 from the District of _____

Is this a potential death penalty case? (Yes or No) No

- Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to August 9, 2013 (Mag. Judge Alicia O. Valle)? Yes ☐ No ☒
- Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to August 8, 2014 (Mag. Judge Shaniek Maynard)? Yes ☐ No ☒
- Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to October 3, 2019 (Mag. Judge Jared Strauss)? Yes ☐ No ☒


 HAYDEN P. O'BYRNE
 ASSISTANT UNITED STATES ATTORNEY
 Florida Bar No.: 60024

*Penalty Sheet(s) attached

REV 6/5/2020

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: CARLOS VAZQUEZ

Case No: _____

Counts #: 1-2

Wire Fraud

18 U.S.C. § 1343

*** Max. Penalty:** 30 years' imprisonment

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**