Eastern District of Kentucky
FILED
AUG 05 2021
AT LEXINGTON
ROBERT R. CARR
CLERK U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF KENTUCKY
SOUTHERN DIVISION
LONDON

UNITED STATES OF AMERICA

V. **INDICTMENT NO.** 21-48-REW

DAVID CHRISTOPHER LEWIS

* * * * *

THE GRAND JURY CHARGES:

At all relevant times:

1. The United States Small Business Administration (SBA) was an executive-branch agency of the United States government that provided support to entrepreneurs and small businesses. The mission of the SBA was to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

2. As part of this effort, the SBA enabled and provided for loans through banks, credit unions and other lenders. These loans had government-backed guarantees. In addition to traditional SBA funding programs, The CARES Act, which was signed into law in March 2020, established several new temporary programs and provided for the expansion of others to address the COVID-19 outbreak.

3. One of these new programs was the SBA Paycheck Protection Program (PPP), which was a loan designed to provide a direct incentive for small businesses to

keep their workers on the payroll. Under this program, the SBA would forgive all or part of loans if all employees were kept on the payroll for eight weeks and borrowers submitted documentation confirming that the loan proceeds were used for payroll, rent, mortgage interest, or utilities. Interested applicants applied through an existing SBA lender or any other participating federally insured financial institution.

4. The PPP application process required applicants to submit a Borrower Application Form through an SBA-approved financial entity. The application contained information as to the purpose of the loan, average monthly payroll, number of employees and background of the business and its owner. First State Bank of the Southeast was a federally insured financial institution approved by the SBA to process PPP loan applications.

5. Applicants for a PPP loan were also required to make good faith certifications, including that (1) economic uncertainties necessitated their loan requests for continued business operations and that they intended to use loan proceeds only for the authorized and not any duplicative purposes, (2) the information provided in the application and all supporting documents was true and accurate, and that knowingly making a false statement to obtain a loan from the SBA constituted a criminal offense, and (3) the applicant understood that the lender would calculate the loan amount using tax documents the applicant submitted, and that these tax documents were identical to those submitted to the Internal Revenue Service.

6. **DAVID CHRISTOPHER LEWIS** was a resident of Harlan County, Kentucky, in the Eastern District of Kentucky. **LEWIS** was the organizer and registered

agent of Bubba Fest, LLC and Elite Artists Agency, LLC.

COUNT 1
18 U.S.C. § 1343 – Wire Fraud

7. Paragraphs 1 through 6 are re-alleged and incorporated by reference as if set forth fully herein.

8. Beginning on or about a date unknown, but not later than April 15, 2020, and continuing through at least May 31, 2020, in the Eastern District of Kentucky and elsewhere, the Defendant,

DAVID CHRISTOPHER LEWIS

aiding and abetting, and aided and abetted by, another person known to the grand jury, devised and intended to devise a scheme to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, promises, and concealment of material facts, which scheme is further described below.

Purpose of the Scheme

9. It was a purpose of the scheme for **DAVID CHRISTOPHER LEWIS** to unlawfully enrich himself and businesses he operated by submitting or causing to be submitted false and fraudulent applications for PPP loans to the SBA.

Manner and Means

10. It was a part of the scheme for **DAVID CHRISTOPHER LEWIS** to submit or cause to be submitted to First State Bank of the Southeast and the SBA false information about the total payroll costs and average monthly payroll of Elite Artists Agency, LLC and Bubba Fest, LLC

11. It was a part of the scheme for **DAVID CHRISTOPHER LEWIS** to submit or cause to be submitted to First State Bank of the Southeast and the SBA numerous false IRS Form 941s, Employer's Quarterly Federal Tax Return, for Elite Artists Agency, LLC and Bubba Fest, LLC, when in truth and in fact neither of those entities had filed IRS Form 941s in calendar year 2019 or the first quarter of 2020, as **LEWIS** represented or caused to be represented.

12. It was a part of the scheme for **DAVID CHRISTOPHER LEWIS** to cause to be deposited into accounts he controlled at First State Bank of the Southeast the proceeds of SBA loan number 42182474-00, made payable to Bubba Fest, LLC in the amount of $195,000, and the proceeds of SBA loan number 42054574-05, made payable to Elite Artists Agency, LLC in the amount of $175,000.

13. On or about May 8, 2020, in the Eastern District of Kentucky, and elsewhere, the Defendant,

DAVID CHRISTOPHER LEWIS

for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below, specifically, applications for loans under the PPP program on behalf of Bubba Fest, LLC and Elite Artists Agency, LLC, which were sent by means of interstate wire communication from First State Bank of the Southeast to the SBA.

All in violation of Title 18, United States Code, Section 1343.

COUNT 2
18 U.S.C. § 1512(c)(2) – Tampering With Documents or Proceedings

14. Paragraphs 1 through 13 are re-alleged and incorporated by reference as if set forth fully herein.

15. On or about April 27, 2021, in the Eastern District of Kentucky, the Defendant,

DAVID CHRISTOPHER LEWIS,

did corruptly attempt to obstruct, influence, and impede a Federal grand jury investigation, an official proceeding, by asking witness C.K. to sign a backdated employment contract for calendar year 2019 that stated that C.K. was employed by Bubba Fest, LLC and was paid $1,200 per week, when in truth and in fact C.K. did not work for Bubba Fest, LLC in 2019, all in violation of Title 18, United States Code, Section 1512(c)(2).

COUNT 3
18 U.S.C. § 1512(c)(2) – Tampering With Documents or Proceedings

16. Paragraphs 1 through 13 are re-alleged and incorporated by reference as if set forth fully herein.

17. On or about July 2, 2021, in the Eastern District of Kentucky, the Defendant,

DAVID CHRISTOPHER LEWIS,

did corruptly attempt to obstruct, influence, and impede a Federal grand jury investigation, an official proceeding; specifically, in response to Federal grand jury

subpoenas issued to Bubba Fest, LLC and Elite Artists Agency, LLC seeking certain employment records, **DAVID CHRISTOPHER LEWIS** submitted a sworn affidavit falsely stating that he had engaged a tax preparer in Harlan County, Kentucky to prepare PPP loan applications for those businesses, that the tax preparer assured **LEWIS** that everything in the PPP loan applications was accurate, and that the tax preparer had custody of records responsive to the Federal grand jury subpoenas but refused to return the records to **LEWIS**, all in violation of Title 18, United States Code, Section 1512(c)(2).

FORFEITURE ALLEGATION
18 U.S.C. § 982(a)(2)(A)
18 U.S.C. § 981(a)(l)(C)
28 U.S.C. § 2461(c)

In committing the felony offense alleged in Count 1 of this Indictment, punishable by imprisonment for more than one year, **DAVID CHRISTOPHER LEWIS** shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(2)(A), 18 U.S.C. § 981(a)(l)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the commission of wire fraud.

The property to be forfeited includes, but is not limited to, the following:

MONEY JUDGMENT:

$370,000, representing the approximate amount of proceeds derived from the wire fraud scheme.

If any of the property described above, as a result of any act or omission of **DAVID CHRISTOPHER LEWIS**:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. § 2461(c).

A TRUE BILL

[redacted]

FOREPERSON

CARLTON S. SHIER, IV
ACTING UNITED STATES ATTORNEY

PENALTIES

COUNTS 1-3:	Not more than 20 years' imprisonment, a $250,000 fine or twice the gross gain or loss, whichever is greater, and not more than 3 years of supervised release.
PLUS:	Mandatory special assessment of $100 per count.
PLUS:	Restitution, if applicable.
PLUS:	Forfeiture, as alleged.