UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

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| UNITED STATES OF AMERICA<br><br>v.<br><br>VINICIUS SANTANA<br><br>Defendant | Criminal No. 22cr10221<br><br>Violation:<br><br>Count One: Wire Fraud<br>(18 U.S.C. § 1343)<br><br>Count Two: Unlawful Monetary Transactions<br>(18 U.S.C. § 1957)<br><br>Forfeiture Allegation:<br>(18 U.S.C. § 981(a)(1)(C) and<br>28 U.S.C. § 2461)<br><br>Money Laundering Forfeiture Allegation:<br>(18 U.S.C. § 982(a)(1)) |

INFORMATION

At all times relevant to this Information:

General Allegations

1. Defendant VINICIUS SANTANA ("SANTANA") lived in Massachusetts and owned Complete Home Care LLC ("CHC").

2. CHC was a Massachusetts painting company that SANTANA incorporated on or about September 2, 2017.

3. Northeast Bank was a federally insured financial institution.

4. Lendio, Inc. ("Lendio") was a company headquartered in Lehi, Utah that specialized in facilitating small-business lending.

5. The United States Small Business Administration ("SBA") was an agency of the executive branch of the United States government. 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. As part of this effort, the SBA enabled and provided for loans, guaranteed by the government, through banks, credit unions, and other lenders.

## The CARES Act

*The Paycheck Protection Program*

6. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in March 2020 that was designed to provide emergency financial assistance to Americans suffering the economic harm as a result of the COVID-19 pandemic. Among other things, the CARES Act provided funding for forgivable loans to small businesses for job retention and certain other expenses through the Paycheck Protection Program ("PPP").

7. PPP loan proceeds were required to be used by small businesses on certain permissible expenses, namely, 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 expenses within a designated period of time and used at least a minimum amount of the PPP loan proceeds toward payroll expenses.

8. To obtain a PPP loan, a qualifying business was required to submit a PPP loan application signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the PPP loan. One such certification required the applicant to affirm that "[t]he [PPP loan] funds w[ould] be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility

payments." The applicant (through its authorized representative) was also required to acknowledge that "I understand that if the funds are used for unauthorized purposes, the federal government may pursue criminal fraud charges." In the PPP loan application, the applicant was also required to state, among other things, its (a) average monthly payroll expenses and (b) number of employees. Lenders used these figures to calculate the amount of money the small business was eligible to receive under the PPP. The applicant was also required to provide documentation showing its payroll expenses.

9. Participating financial institutions, including Northeast Bank, received and processed business's PPP loan applications. If a PPP loan application was approved, the participating financial institution would fund the PPP loan using its own monies, which were guaranteed by the SBA.

Scheme to Defraud

10. Between April 2020 and September 2020, in the District of Massachusetts, SANTANA devised a scheme to defraud and to fraudulently obtain pandemic relief funds by filing false and fraudulent PPP loan applications on behalf of CHC.

11. As described below, SANTANA made four false and fraudulent PPP loan applications. Three were denied, but the fourth loan application resulted in CHC receiving $2.5 million. SANTANA thereafter misused the loan proceeds to buy cars and real estate, invest in cryptocurrency, and send money to individuals and companies that were not connected to CHC's payroll, utilities, rent, or mortgage payments.

*A. The Failed CHC PPP Applications*

12. Between approximately April 10, 2020 and April 26, 2020, SANTANA submitted

three unsuccessful PPP applications on behalf of CHC to Lendio, which connected small businesses with financial institutions participating in the PPP.

13. The three applications, which sought between $25,000 and $45,000, claimed that CHC had five employees and between $10,000 and $18,000 in average monthly payroll. In support of these applications, SANTANA submitted tax documents showing $88,577 in gross receipts from an unrelated business—a document that did not support the $120,000 to $216,000 in annual payroll cost that CHC claimed in the application.

14. Participating lenders denied all three applications.

*B. The Funded CHC PPP Loan*

15. On or about April 26, 2020, SANTANA submitted a fourth PPP loan application on CHC's behalf through Lendio, to Northeast Bank. SANTANA sought $2.5 million, a loan at least 50 times larger than the three earlier loans.

16. In the fourth application, SANTANA claimed that CHC had 154 employees and an average monthly payroll of $1,000,000. As with the loan amount, the number of employees and the claimed average monthly payroll dwarfed the figures in CHC's three applications earlier that month. SANTANA identified the "purpose of the loan" as "Payroll," "Lease / Mortgage Interest," and "Utilities."

17. SANTANA supported the fourth application with an IRS Form 944, a tax document that purported to reflect CHC's wages and federal payroll tax information for 2019. The form, which bore SANTANA's signature but had not been filed with the IRS, falsely claimed that CHC paid $12,041,600 in wages, tips, and other compensation in 2019.

18. On or about May 11, 2020, in reliance on SANTANA's statements, Northeast Bank approved CHC's application and wired $2,500,000 to a CHC account numbered xxxx9926 at the East Boston Savings Bank ("the EBSB Account").

*C. SANTANA's Misuse of the Proceeds*

19. As described below, SANTANA spent the PPP funds on personal expenses, such as cars, cryptocurrency, and real estate. He also sent money to businesses and individuals that were not related to CHC.

20. On July 2, 2020, SANTANA used $29,471 from the EBSB Account to purchase a 2019 Toyota Highlander.

21. On July 25, 2020, SANTANA used $90,000 from the EBSB Account to purchase an Audi luxury coupe.

22. Between September 4 and September 14, 2020, SANTANA wired $900,000 from the EBSB Account to an account at Kraken (a cryptocurrency exchange) that he opened on or about September 4, 2020.

23. On December 29, 2020, SANTANA sent a $407,587.60 bank check from the EBSB account to a law office for the purchase of a residential property in Lowell, Massachusetts.

COUNT ONE
Wire Fraud
(18 U.S.C. § 1343)

The United States Attorney charges:

24. The United States Attorney re-alleges and incorporates by reference paragraphs 1 through 23 of this Information.

25. On or about May 11, 2020, in the District of Massachusetts and elsewhere, the defendant,

VINICIUS SANTANA,

having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire communications in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing the scheme to defraud, to wit, a $2.5 million wire of PPP loan proceeds from Northeast Bank to CHC's EBSB Account.

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

COUNT TWO
Unlawful Monetary Transactions
(18 U.S.C. § 1957)

The United States Attorney further charges:

26. The United States Attorney re-alleges and incorporates by reference paragraphs 1 through 23 of this Information.

27. On or about July 25, 2020, in the District of Massachusetts and elsewhere, the defendant,

VINICIUS SANTANA,

knowingly engaged and attempted to engage in a monetary transaction in criminally derived property of a value greater than $10,000, specifically, the purchase of a $90,000 bank check payable to Audi of Burlington, where such property was derived from specified unlawful activity, that is, wire fraud, in violation of Title 18, United States Code, Section 1343.

All in violation of Title 18, United States Code, Section 1957.

FORFEITURE ALLEGATION
(18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c))

The United States Attorney further alleges:

28. Upon conviction of the offense in violation Title 18, United States Code, Section 1343, set forth in Count One, the defendant,

VINICIUS SANTANA

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense. The property to be forfeited includes, but is not limited to, the following assets:

a. The property at 54-58 Willow Street, Lowell, Massachusetts 01852; and

b. $2,500,000, to be entered in the form of an Order of Forfeiture (Money Judgment).

29. If any of the property described in Paragraph 28, above, as being forfeitable pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), as a result of any act or omission of the defendant --

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;

it is the intention of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property described in Paragraph 28 above.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

MONEY LAUNDERING FORFEITURE ALLEGATION
(18 U.S.C. § 982(a)(1))

The United States Attorney further alleges:

30. Upon conviction of the offense in violation of Title 18, United States Code, Section 1957, set forth in Count Two, the defendant,

VINICIUS SANTANA,

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in such offense, and any property traceable to such property. The property to be forfeited includes, but is not limited to, the following assets:

a. The property at 54-58 Willow Street, Lowell, Massachusetts 01852; and

b. $2,500,000, to be entered in the form of an Order of Forfeiture (Money Judgment).

31. If any of the property described in Paragraph 30, above, as being forfeitable pursuant to Title 18, United States Code, Section 982(a)(1), as a result of any act or omission of the defendant --

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;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property described in Paragraph 30 above.

All pursuant to Title 18, United States Code, Section 982(a)(1).

RACHAEL S. ROLLINS
United States Attorney

By: */s/ Benjamin A. Saltzman*
Mackenzie A. Queenin
Benjamin A. Saltzman
Assistant U.S. Attorneys

Date: August 22, 2022