IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

		Case: 1:21-mj-00563 Assigned to: Judge Harvey, G. Michael Assign Date: 8/12/2021 Description: COMPLAINT W/ ARREST WARRANT
UNITED STATES OF AMERICA	:	
v.	:	
	:	VIOLATIONS:
ROBERTO ADAMS	:	18 U.S.C. § 1343 (Wire Fraud) 18 U.S.C. § 1344 (Bank Fraud)
Defendant.	:	
	:	**Filed Under Seal**

AFFIDAVIT IN SUPPORT OF
CRIMINAL COMPLAINT AND ARREST WARRANT

I, David M. DeFilippis, being first duly sworn, hereby depose and state as follows:

INTRODUCTION

1. I make this affidavit in support of an application for an arrest warrant for ROBERTO ADAMS.

2. I am a Special Agent of the Federal Bureau of Investigation ("FBI") and have worked in this capacity for over 19 years. As a Special Agent, I am authorized by law or by a Government agency to engage in or supervise the prevention, detention, investigation, or prosecution of a violation of Federal criminal laws.

3. I am currently assigned to a squad that investigates public corruption and fraud against the government out of the Washington (D.C.) Field Office (WFO), Northern Virginia Resident Agency, and I have been assigned to this squad since October of 2018. Prior to this assignment, I was a firearms and tactics instructor at WFO for over one year, after being assigned to squads that investigated drug trafficking organizations, violent gangs and other

criminal enterprises for approximately eight years out of the Washington (D.C.) Field Office, Northern Virginia Resident Agency. Prior to that, I was a firearms instructor at the FBI Academy in Quantico, Virginia for one- and one-half years. Prior to that, I investigated financial crimes in the FBI Miami Division for six years and I hold the designation of Certified Public Accountant.

4. As a Special Agent of the FBI, I received training and have experience in investigating violations of federal statutes, including those regarding conspiracy, wire fraud, mail fraud, bank fraud, money laundering, drug trafficking, human trafficking, firearms violations, as well as various racketeering offenses. I have participated in numerous criminal enterprise and financial investigations. More specifically, I have served administrative and grand jury subpoenas, analyzed phone, Internet and text records, reviewed financial documents and records of fraudulent activity, conducted physical surveillance, executed arrest and search warrants, operated undercover agents, confidential informants and cooperating witnesses, coordinated the controlled purchases of illegal narcotics, participated in wiretaps, and have testified in trial and grand jury proceedings. I have also spoken to suspects, defendants, witnesses, and other experienced investigators concerning the methods and practices of individuals and groups engaged in federal, state and local crimes.

5. The facts in this affidavit come from my personal observations, my training and experience, and information obtained from other law enforcement officers and witnesses. This affidavit is intended to show merely that there is sufficient probable cause for the requested warrant and does not set forth all of my knowledge about this matter.

PURPOSE OF AFFIDAVIT

6. This affidavit is submitted in support of a criminal complaint charging from in or around July 2020 to in or around August 2020 in the District of Columbia and elsewhere, defendant ROBERTO ADAMS knowingly and intentionally committed Wire Fraud, in violation of Title 18, United States Code, Section 1343, and Bank Fraud in violation of Title 18, United States Code, Section 1344.

STATEMENT OF FACTS SUPPORTING PROBABLE CAUSE

The Paycheck Protection Program

7. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act is 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 up to $349 billion in forgivable loans to small businesses for job retention and certain other expenses through a program referred to as the Paycheck Protection Program ("PPP"). In or around April 2020, Congress authorized over $300 billion in additional PPP funding.

8. In order to obtain a PPP loan, a qualifying business must submit a PPP loan application, which is signed by an authorized representative of the business. The PPP loan application requires 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. In the PPP loan application, the small business (through its authorized representative) must state, among other things, its: (a) average monthly payroll expenses; and (b) number of employees. These figures are used to calculate the amount of money the small business is

eligible to receive under the PPP. In addition, businesses applying for a PPP loan must provide documentation showing their payroll expenses.

9. A PPP loan application must be processed by a participating financial institution (the lender). If a PPP loan application is approved, the participating financial institution funds the PPP loan using its own monies, which are 100% guaranteed by the Small Business Administration ("SBA"). Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, is transmitted by the lender to the SBA in the course of processing the loan.

10. PPP loan proceeds must be used by the business for certain permissible expenses – payroll costs, interest on mortgages, rent, and utilities. The PPP allows the interest and principal on the PPP loan to be entirely forgiven if the business spends the loan proceeds on these expense items within the designated period of time (usually eight weeks of receiving the proceeds) and uses a certain percentage of the PPP loan proceeds on payroll expenses.

Roberto Adams and Submission of his PPP Loan Application

11. ROBERTO ADAMS ("ADAMS") is employed by the District of Columbia Metropolitan Police Department (DC-MPD) as a Police Officer, working patrol in the Fifth District of the city (referred to as "5D").

12. Tenant records obtained from the Villages at Morgan Metro provided that ADAMS resided at [redacted] ADAMS was the only person on this lease and moved out from this apartment or about September 27, 2020.

13. Bank statements obtained from Bank of America for the account maintained by ADAMS ending in account number 4188 revealed a deposit in the amount of $18,345 on August

4, 2020 from "Bluevine/SBA." The bank statement mailing address was [redacted]

14. On September 29, 2020, I spoke with SBA Office of Inspector General Special Agent Lee Bacon regarding the aforementioned ADAMS deposit from the SBA. SA Lee provided that ADAMS was given a PPP loan in the amount of $18,345; the loan account number was 19959682-05; and that ADAMS was the sole applicant. SA Bacon also provided that the ADAMS loan was funded by Cross River Bank in New Jersey and underwritten by Bluevine Capital Inc. in California.

15. Loan files were obtained from Cross River Bank and Bluevine Capital Inc. related to the PPP loan obtained by ADAMS. I reviewed these loan files and noted the following:

a. On or around July 31, 2020, ADAMS submitted an application for a loan through the SBA's Paycheck Protection Program;

b. On his application, ADAMS claimed to be an eligible self-employed individual with a monthly payroll of $7,338 and sought a forgivable loan of $18,345 to cover payroll expenses;

c. ADAMS certified that his business was in operation on February 15, 2020, and "had employees for whom it paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC." He also certified that all "SBA loan proceeds" would be "used only for business-related purposes as specified in the loan application."

d. ADAMS submitted bank statements from his personal savings and checking accounts with Bank of America;

e. ADAMS submitted what appeared to be a 2019 Form 1040 Schedule C reporting $94,250 in gross income, $4,120 in expenses, and $88,060 in profits from a business

called SUPERKLEAN (which calculates to net profits of $7,338 per month). The Schedule C form indicated that ADAMS was the sole proprietor and that the business provided janitorial services. ADAMS listed his business address as [redacted] (his residence); and

f. ADAMS's application was approved, and he secured the $18,345 loan from Cross River Bank, a FDIC-insured financial institution. The loan amount was electronically deposited into ADAMS's Bank of America account on August 4, 2020.

Ex Parte Order and Review of ADAMS 2019 Tax Returns

16. On October 26, 2020, an *ex parte* court order was issued in the United States District Court for the District of Columbia by Chief Judge Beryl A. Howell for the disclosure of tax returns and return information for ADAMS for the taxable period 2019. This Order was served on the Internal Revenue Service ("IRS"), who provided a copy of ADAMS's 2019 individual income tax filings, including wage and income transcripts. I reviewed these 2019 tax filings and transcripts and noted the following:

a. ADAMS reported W-2 wages from DC Government, 441 4th Street, Washington, DC in the amount of $57,882 (2019 Form 1040, Line 1);

b. ADAMS reported other income of $12,954 (2019 Form 1040, Line 7a), which was comprised of: (1) other income of $14,468 attributable to the cancellation of debt on a car loan, and (2) a business loss of $1,514 from 2019 Schedule C (Profit or Loss From Business);

c. ADAMS's reported net loss of $1,514 on his 2019 Schedule C was from his sole proprietorship named "NPC QUALITY BURGERS SECURITY," and comprised of gross receipts of $3,896 and total expenses of $5,410 ($3,785 of car and truck expense and $1,625 of other expenses); and

d. ADAMS's 2019 tax filings to the IRS did not include the aforementioned 2019 Form 1040 Schedule C with $88,060 in net profits from a janitorial business called SUPERKLEAN, as he submitted with his PPP loan application.

Financial Analysis of ADAMS Accounts

17. The FBI has reviewed financial records to identify accounts associated with ADAMS. This review has included analyzing a credit report from Equifax and a financial report from ChexSystems, records for two Bank of America accounts, credit card statements, and records related to an automobile insurance policy.

18. The FBI has not identified any activity in those accounts consistent with ADAMS's running a janitorial business that brought in more than $94,000 in revenue and more than $88,000 in profits in 2019. For example, the total deposits into ADAMS's accounts with Bank of America in 2019 totaled less than $100,000, and more than $70,000 of that amount was comprised of salary or benefits from the District of Columbia or the Department of Veterans Affairs. The financial records do not show regular income from a janitorial business or regular payroll transactions. Agents have been unable to find any other indication—like a website, advertisement, or online review—that ADAMS runs such a business from his home.

CONCLUSIONS OF AFFIANT

19. The evidence obtained in the investigation demonstrates that the certifications made by ADAMS on his PPP loan application were fraudulent because the IRS documents he provided to Cross River Bank, namely his 2019 Form 1040 Schedule C, were falsified, as the IRS has no record of them ever being filed. Financial analysis of ADAMS's accounts also supports the fraudulent nature of his PPP loan application, as explained above. Cross River Bank, a FDIC-insured financial institution located in New Jersey, relied on the loan application

and supporting documentation prepared and submitted by ADAMS to electronically transfer loan proceeds in the amount of $18,345 to a bank account controlled by ADAMS.

20. Based on my training and experience, and the information provided in this affidavit, your affiant submits there is probable cause to believe that from in or around July 2020 through in or around August 2020, in the District of Columbia, ROBERTO ADAMS committed Wire Fraud, in violation of Title 18, United States Code, Section 1343, and Bank Fraud in violation of Title 18, United States Code, Section 1344. I respectfully request that a warrant be issued for his arrest.

Special Agent David M. DeFilippis
Federal Bureau of Investigation

Attested to by the applicant in accordance with the requirements of Fed. R. Crim. P. 4.1 by telephone, this 12th day of August 2021.

Digitally signed by G. Michael Harvey
Date: 2021.08.12 11:10:49 -04'00'

HONORABLE G. MICHAEL HARVEY
UNITED STATES MAGISTRATE JUDGE