UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 22-80118-CR-MIDDLEBROOKS/MATTHEWMAN

UNITED STATES OF AMERICA

v.

JORGE S. ALVAREZ,

Defendant.

FACTUAL PROFFER

If this matter had gone to trial, the United States would have proven the following facts beyond a reasonable doubt, which occurred in the Southern District of Florida and elsewhere:

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

In order to obtain a PPP loan, a qualifying business submitted a PPP loan application, which was signed by an authorized representative of the business. The PPP loan application required the business to acknowledge the program rules and make certain affirmative certifications in order to be eligible to obtain the loan. In the PPP loan application, the small business was required to provide, among other things, its average monthly payroll expenses and number of employees, which were used to calculate the amount of money the small business was eligible to receive.

A PPP loan application was processed by a participating lender. If a PPP loan application was approved, the participating lender funded the PPP loan using its own monies, and the loan was 100% guaranteed by the SBA. PPP loan proceeds were required to be used by the business to pay expenses necessary to continue the operations of the business, including the payroll costs of employees, interest on mortgages, rent, and utilities. The interest and principal on the PPP loan could 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 loan proceeds on payroll expenses.

On or about April 28, 2020, **JORGE S. ALVAREZ** caused the submission of a loan application on behalf of his company, Saihdel Trucking, Inc. to TD Bank. Specifically, **ALVAREZ** gave his name, social security number, date of birth, mailing address, and email address, and the bank account routing number for Saihdel Trucking to co-defendant Yunior BARRERA ALMAGUER (BARRERA), who then had an unindicted co-conspirator use interstate wire communications to electronically view and sign a PPP Loan Application Form on behalf of Saihdel Trucking, which falsely represented that the company had 28 employees and an average monthly payroll of $158,400 each month. In actuality, Saihdel Trucking had only one employee, **ALVAREZ**.. **ALVAREZ** knew that BARRERA applied for a loan on behalf of Saihdel Trucking and made these false representations.

On or about May 4, 2020, based on the false information provided in the loan application, TD Bank approved the loan and transferred $396,000 in PPP funds via interstate wire communication to Saihdel Trucking's account at TD Bank, for which **ALVAREZ** was the only signatory. Bank records showed that the TD Bank account had a balance of approximately $73 prior to receipt of the PPP funds, and there was no evidence of payroll payments to employees for Saihdel Trucking prior to receipt of the PPP funds.

BARRERA told **ALVAREZ** to expect the PPP funds to arrive in the TD Bank account. On May 5, 2020, the day after receiving the funds, **ALVAREZ** wire transferred all of the PPP funds ($396,000) to another Saihdel Trucking account at Bank of America (BofA) as instructed by BARRERA. **ALVAREZ** gave BARRERA blank pre-signed checks to the BofA Saihdel Trucking account so that BARRERA could access the PPP funds. **ALVAREZ** was aware that BARRERA laundered the PPP funds, by either writing checks to entities or individuals who were not associated with Saihdel Trucking or by making large cash withdrawals. By on or about June 24, 2020, BARRERA had disbursed the PPP funds.

ALVAREZ was also aware that BARRERA directed other companies that BARRERA had obtained unlawful PPP loans for to send PPP funds to the BofA Saihdel Trucking account, so that BARRERA could launder those funds as well. **ALVAREZ** knew that BARRERA was using the BofA Saihdel Trucking account for that purpose and received payment from unlawfully obtained PPP funds for his participation in the money laundering.

For example, BARRERA also applied for a fraudulent PPP loan on behalf of Garcia & Son Remodeling Services Corp (Garcia & Son) on June 28, 2020, by falsely stating that Garcia & Son had 35 employees, with a monthly payroll of $206,350. As a result, the lender wired $515,873 in PPP funds to Garcia & Son's BofA account on July 1, 2020, in which the previous balance was approximately $42. On or about July 24, 2020, Garcia & Son wrote checks to Saihdel Trucking in the amounts of $20,000 and $10,000 respectively, which Saihdel Trucking deposited into its BofA account in Miami-Dade County. After receiving the funds from Garcia & Son, Saihdel Trucking wrote two checks from the same account directly to **ALVAREZ** on July 24, 2020, in the amounts of $9,500 and $4,500 respectively. The Saihdel Trucking BofA account would not have had sufficient funds to cover either of these checks if not for the deposits from Garcia & Son and other companies that had also received PPP funds based on fraudulent misrepresentations. **ALVAREZ** also withdrew $5,000 from the BofA Saihdel Trucking account on July 24, 2020, and $9,000 on July 27, 2020.

ALVAREZ agrees that the Saihdel Trucking PPP loan and the funds from other companies involved in the PPP fraud that were actually deposited into the Saihdel Trucking accounts totaled approximately $1,212,220, and that he assisted in the laundering of those funds.

At all times relevant to the offense conduct, TD Bank and Bank of America were banks the deposits of which were insured by the Federal Deposit Insurance Corporation, and which were engaged in, and the activities of which affected, interstate and foreign commerce.

The parties agree that these facts, which do not include all facts known to the United States and **ALVAREZ**, are sufficient to prove the offense to which **ALVAREZ** is pleading guilty.

Respectfully submitted,

JUAN ANTONIO GONZALEZ
UNITED STATES ATTORNEY

Date: 11-15-2022 By: ______________________
SUSAN OSBORNE
ASSISTANT UNITED STATES ATTORNEY

Date: 11-16-22 By: ______________________
ALFREDO IZAGUIRRE
ATTORNEY FOR DEFENDANT

Date: 11-16-22 By: ______________________
JORGE S. ALVAREZ
DEFENDANT