UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
FORT LAUDERDALE DIVISION

CASE NO. 23-60019-CR-SINGHAL

UNITED STATES OF AMERICA

vs.

PATRICK DUCTANT,

Defendant.
_____/

FACTUAL PROFFER

The United States of America (the "United States") and Defendant Patrick Ductant ("Defendant") agree that, were this case to proceed to trial, the United States would prove beyond a reasonable doubt the following facts, among others, which occurred in the Southern District of Florida and elsewhere:

1. From at least October 2019, and continuing through May 2021, Defendant conspired and agreed with Kervens Saint-Hilaire ("Kervens"), Vladimir Saint-Hilaire ("Vladimir"), and others, to commit bank fraud and wire fraud. The purpose of the conspiracy was for Defendant and his co-conspirators to unlawfully enrich themselves by devising and executing a scheme and artifice to defraud financial institutions and the U.S. Small Business Administration ("SBA"). Defendant knew the unlawful purpose of the plan and willfully joined in it.

2. The bank fraud object of the conspiracy involved, among other things, Defendant and his co-conspirators unlawfully using the means of identification of other persons, and otherwise making materially false and fraudulent representations, to obtain money, funds, credits, and assets under the custody and control of financial institutions whose accounts were insured by

the Federal Deposit Insurance Corporation, including, but not limited to, USAA Federal Savings Bank (hereinafter, "USAA Bank") and Wells Fargo Bank, N.A. (hereinafter, "Wells Fargo"). The wire fraud object of the conspiracy involved, among other things, Defendant and his co-conspirators unlawfully using the means of identification of other persons, and otherwise making materially false and fraudulent representations, to obtain loans through the SBA's Paycheck Protection Program ("PPP") and Economic Injury Disaster Loan ("EIDL") program. The PPP and EIDL program were designed to provide emergency financial assistance to the millions of Americans who were suffering from the economic effects caused by the COVID-19 pandemic.

3. To carry out the conspiracy and accomplish its purpose, Defendant and his co-conspirators unlawfully acquired personally identifiable information ("PII"), including social security numbers, dates of birth, and driver license numbers, of other persons (hereinafter, "Identity Theft Victims"). Some of the Identity Theft Victims were inmates then confined in federal and state prisons who played no role in the conspiracy and did not know that Defendant and his co-conspirator had acquired their PII. Co-defendant Davis, who during the conspiracy had access to PII through her employment at a company in Atlanta, Georgia, was one source of PII whom Defendant's co-conspirators paid for such PII. In exchange for payment, Davis provided the requested PII to Co-Conspirator 1, who in turn provided the PII to Defendant and his co-conspirators.

4. In furtherance of the conspiracy, Defendant and his co-conspirators used Identity Theft Victims' PII, including counterfeit driver licenses obtained by Defendant and his co-conspirators bearing Identity Theft Victims' PII with other persons' photographs, to accomplish the following: (a) apply for and obtain fraudulent loans from financial institutions, including

personal loans from USAA Bank issued in the names of Identity Theft Victims; (b) apply for and obtain fraudulent loans from the SBA, including loans through the PPP and EIDL programs issued in the names of Identity Theft Victims; (c) open fraudulent bank accounts at financial institutions in the names of Identity Theft Victims and conduct fraudulent financial transactions within such accounts, including depositing and withdrawing the proceeds of fraudulent loans; (d) fraudulently obtain and use credit cards and debit cards issued by financial institutions in the names of Identity Theft Victims, including the purchase of money orders made payable to Defendant and his co-conspirators; and (e) otherwise divert fraud proceeds obtained in the names of Identity Theft Victims for the use and benefit of Defendant, his co-conspirators, and others, including, but not limited to, purchases of and/or payments toward homes, home improvements, luxury vehicles, and jewelry, and other expenses.

5. The following acts, among others, represent the manner and means by which Defendant and his co-conspirators sought to accomplish the bank fraud object of the conspiracy:

a. Defendant and his co-conspirators unlawfully acquired from co-defendant Davis, the name, date of birth, social security number, and Florida driver license number of an Identity Theft Victim whose initials were "J.H." At all relevant times, J.H. was an inmate serving a term of imprisonment in a federal prison and did not open any bank accounts or apply for any loans. Using J.H.'s PII, Defendant and his co-conspirators acquired a counterfeit driver license bearing J.H.'s actual date of birth and Florida driver license number with another person's photograph. During and in relation to the conspiracy, and without lawful authority, Defendant possessed, used, and transferred J.H.'s means of identification, that is, a copy of J.H.'s counterfeit driver license bearing J.H.'s Florida

driver license number and date of birth, which Defendant exchanged via text message with co-defendant Kervens on or about February 26, 2020.

b. On or about December 10, 2019, Defendant and his co-conspirators caused the online submission of a USAA Bank consumer loan application that included J.H.'s full name, date of birth, and social security number, among other information. The application requested a $50,000 loan for "Wedding or Engagement Expenses." USAA Bank approved the loan in the amount of $39,500, and disbursed the loan proceeds via paper check number 0009529439 dated December 12, 2019 payable to J.H. (hereinafter, the "J.H. USAA Loan Check").

c. On or about January 29, 2020, Defendant and his co-conspirators caused the online submission of an application to open a Wells Fargo checking account in J.H.'s name. The application included J.H.'s name, date of birth, social security number, and Florida driver license number, among other information. Wells Fargo approved the application and opened account number ending in 2290 in J.H.'s name (hereinafter, the "J.H. 2290 Account").

d. On March 2, 2020, Kervens deposited the $39,500 J.H. USAA Loan Check into the J.H. 2290 Account using an ATM machine located in Pembroke Pines, Florida. An ATM surveillance camera recorded Kervens making this deposit. There were no additional deposits made into the J.H. 2290 Account after the deposit of the $39,500.00 J.H. USAA Loan Check.

e. On March 15, 2020, Defendant diverted to himself $9,000 from the J.H. USAA Loan Check proceeds on deposit in the J.H. 2290 Account by forging check number

105 from the J.H. 2290 Account and making it payable to Defendant's company, "Coral 11550," for a purported "Security Deposit." Defendant deposited said forged check into Coral 11550's Wells Fargo bank account, for which Defendant was the sole signer, using an ATM machine located in Pembroke Pines, Florida. An ATM surveillance camera recorded Defendant making this deposit.

f. On March 24, 2020, Defendant diverted to himself $9,200 from the J.H. USAA Loan Check proceeds on deposit in the J.H. 2209 Account by forging check number 106 from the J.H. 2290 Account and making it payable to Defendant's company, "Middleman LLC," for purported "Installation and Repair." Defendant deposited said forged check into the Middleman LLC's Wells Fargo bank account, for which Defendant was the sole signer, using an ATM machine located in Pembroke Pines, Florida. An ATM surveillance camera recorded Defendant making this deposit.

g. Additionally, Defendant and his co-conspirators used J.H.'s PII to apply for and obtain credit cards, including a USAA Bank Visa credit card ending in account number 2675, which was issued in J.H.'s name (the "J.H. 2675 Visa"). Among other unauthorized transactions, Defendant caused the J.H. 2675 Visa to credit the Wells Fargo account of his company, The Middleman LLC DBA Merci Marketing, in the amounts of $2,563 and $3,256 on December 21 and 23, 2019, respectively.

6. The following acts, among others, represent the manner and means by which Defendant and his co-conspirators sought to accomplish the wire fraud object of the conspiracy:

a. Defendant and his co-conspirators unlawfully acquired the name, date of birth, social security number, Florida driver license number, and other PII of an Identity

Theft Victim whose initials were "K.R." At all relevant times, K.R. was a retired police officer who did not apply for any SBA loan or open any bank account to receive any SBA loan. Using K.R.'s PII without authorization, Defendant and his co-conspirators acquired a counterfeit driver license bearing K.R.'s date of birth and Florida driver license number with another person's photograph.

b. On or about January 6, 2021, Defendant and his co-conspirators caused the online submission of an application to open a Bank of America checking account in K.R.'s name. The application included K.R.'s name and social security number, among other information. Bank of America approved the application and opened account number ending in 4426 in K.R.'s name (hereinafter, the "K.R. 4426 Account").

c. On or about January 7, 2021, Defendant and his co-conspirators caused the online submission of an application to the SBA for an EIDL on behalf of R.W.D. Innovative Specialty Trims LLC ("R.W.D"). The application represented that K.R. was the primary contact and 100% owner of R.W.D., and it included K.R.'s social security number and date of birth, among other information. The application presented that, for the 12-month period prior to January 31, 2020, R.W.D. had gross revenue of $295,876 and cost of goods sold of $45,000. Furthermore, the application supplied the account number and routing number for the newly created K.R. 4426 Account. SBA approved the EIDL in the amount of $125,500 (the "R.W.D. EIDL"), and on January 20, 20201, disbursed the entirety of the R.W.D. EIDL proceeds (less a $100 application fee) via ACH transfer to the K.R. 4426 Account, which caused the transmission of a wire communication in interstate commerce.

d. Among other transactions, on January 27, 2021, Defendant diverted to himself $6,444.19 of the R.W.D. EIDL proceeds on deposit in the K.R. 4426 Account by authorizing bank check number 3550435 payable to "DUCTANT, PATRICK." On February 26, 2021, Defendant diverted to himself $2,250 of the R.W.D. EIDL proceeds on deposit in the K.R. 4426 Account by authorizing bank check number 4035992 payable to "THE MIDDLEMAN LLC," Defendant's company.

e. Defendant and his co-conspirators also diverted to themselves and others the R.W.D. EIDL proceeds on deposit in the K.R. 4426 Account by making withdrawals and debits therefrom to pay for Western Union Money Orders, jewelry, Comcast bills, and other purchases.

7. Defendant and his co-conspirators conducted much of the fraudulent activity in furtherance of the conspiracy from a leased office space located in Miramar, Florida (the "Miramar Office"). During the execution of a search warrant of the Miramar Office premises, law enforcement recovered tangible evidence of the fraud from, among other places, a desk used by Defendant ("Defendant's Desk"). Additionally, Defendant's Desk contained physical credit cards fraudulently obtained in the names of Identity Theft Victims, including debit cards associated with fraudulent accounts that received proceeds of fraudulent SBA loans. Law enforcement recovered similar digital evidence on the computer located on Defendant's Desk (and on Defendant's other electronic devices seized and searched pursuant to warrants), including dozens of Identity Theft Victims' PII and other sensitive security information regarding home and business addresses, Medical Doctor Licenses, passwords and access numbers, driver's license numbers, USAA member numbers, and other Identity Theft Victim information.

8. As a result of Defendant's participation in the conspiracy, Defendant and his co-conspirators are responsible for causing an actual loss of $3,097,825, of which $1,045,325 in loss was incurred by USAA Bank and $2,052,500 in loss was incurred by the SBA. Defendant and his co-conspirators used the fraudulently obtained proceeds to enrich themselves and others through approximately May 2021.

9. The United States and Defendant agree that these facts, which do not include all facts known to the United States and Defendant, are sufficient to prove beyond a reasonable doubt the elements of conspiracy to commit bank fraud and wire fraud, in violation of Title 18, United States Code, Section 1349, and aggravated identity theft, in violation of Title 18, United States Code, Section 1028A(a)(1), that Defendant is in fact guilty of those offenses as charged in Count 1 and Count 19, respectively, of the Indictment.

MARKENZY LAPOINTE
UNITED STATES ATTORNEY

Date: 01/29/2024 By: _____
DAVID A. SNIDER
ASSISTANT UNITED STATES ATTORNEY

Date: 1/29/24 _____
DAVID SELTZER
ATTORNEY FOR DEFENDANT

Date: 1/29/24 _____
PATRICK DUCTANT
DEFENDANT