IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Criminal Case No.

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. RICO TOMAS GARCIA,

Defendant.

INDICTMENT

The Grand Jury charges:

COUNTS 1-9
Wire Fraud, 18 U.S.C. § 1343

Background

1. RICO TOMAS GARCIA ("GARCIA" or "the defendant") formed Botani-Labs, LLC ("Botani-Labs") on or about August 5, 2016, in Colorado and listed himself as the registered agent. Botani-Labs was voluntarily dissolved in Colorado on or about June 8, 2021. On or about June 12, 2020, GARCIA registered Botani-Labs in Nevada. GARCIA is listed as the managing member of Botani-Labs in Nevada. GARCIA routinely described himself as the Chief Executive Officer or CEO of Botani-Labs.

2. GARCIA transferred money obtained in the scheme described below through the accounts of numerous entities he or his girlfriend C.S. controlled, including Hamsa Holdings, LLC ("Hamsa Holdings"), Granada Holdings LLC ("Granada

Holdings"), and Solid Investment Partners, LLC (previously named Solid Investment, LLC) ("Solid Investment").

3. GARCIA resided in Colorado from at least January 2020 through at least November 2020.

4. IPF Sourcing, LLC ("IPF Sourcing") was established in or around July 2019 in Virginia.

The Scheme

5. Beginning in or around April 2020, and continuing thereafter until in or around June 2021, in the State and District of Colorado, and elsewhere, defendant **RICO TOMAS GARCIA**, devised, intended to devise, and participated in a scheme and artifice to defraud and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises, to wit, that GARCIA would source millions of bottles of hand sanitizer to IPF Sourcing in exchange for approximately $2.5 million funded by SZY Holdings, LLC ("SZY"), when in fact, GARCIA instead stole the money for personal use, and then subsequently falsified bank records to conceal how he spent SZY's money.

Manner and Means of the Scheme

6. In or around April 2020, following the onset of the COVID-19 pandemic, IPF Sourcing entered into a work order with a third party to provide 9 million 16-ounce hand sanitizer bottles in exchange for approximately $37.8 million. IPF Sourcing agreed to deliver tranches of hand sanitizer starting May 4, 2020, and ending June 8, 2020. IPF Sourcing secured funding for the deal from SZY.

7. In or around late April 2020, Garcia agreed to provide 9 million 16-ounce bottles of hand sanitizer to IPF Sourcing for $33,750,000. On or about April 28, 2020, Garcia sent an invoice from Botani-Labs to IPF Sourcing for 1,330,000 bottles of hand sanitizer for a total of $4,987,500 with 50 percent of the balance due as a deposit and the remainder due "prior to pickup."

8. On or about April 29, 2020, SZY wired approximately $2,493,750 to Botani-Labs as a 50 percent deposit for the first lot of hand sanitizer.

9. On or about May 5, 2020, GARCIA texted IPF Sourcing partner V.A. stating, "We are good . . . " V.A. asked for an estimate of "first pick up," and GARCIA responded, "14 days from payment just like the invoice I sent you back on April 14." On or about May 5, 2020, GARCIA used approximately $54,373.47 of the SZY funds to pay off a vehicle loan.

10. On or about May 9, 2020, GARCIA indicated that he may not be able to deliver the required pump tops on the bottles.

11. On or about May 11, 2020, GARCIA wired $2,428,750 of the money from SZY from the Botani-Labs account to an account in the name of Hamsa Holdings that GARCIA controlled. He subsequently transferred the proceeds to other accounts and used them for personal use, including to purchase three residences, as detailed below.

12. On or about May 13, 2020, V.A. emailed GARCIA to explain that GARCIA either needed to resolve the issues with delivering the hand sanitizer or to return the funds.

13. On or about June 10, 2020, IPF Sourcing's counsel sent a demand letter to GARCIA requiring fulfillment of the contract by June 24, 2020, or return of the $2,493,750 payment. On or about June 25, 2020, IPF Sourcing's counsel sent GARCIA a letter terminating the contract and demanding the return of the $2,493,750 payment.

14. In or around late June 2020, Botani and IPF Sourcing filed competing arbitration demands with JAMS, an alternative dispute resolution service.

15. On or about April 5, 2021, GARCIA, through counsel, filed falsified bank statements in the alternative dispute resolution proceedings to show a $2,428,750 payment to "Hui Lin" made on or about May 11, 2020. Unredacted bank records show that same payment was actually made to Hamsa Holdings, controlled by GARCIA.

16. On or about June 18, 2021, GARCIA's counsel emailed JAMS amended responses to interrogatories. In those responses, GARCIA swore and affirmed that he sent $2,428,750 to "Hui Lin" on May 11, 2020 as a payment he made to a person he contracted with to supply or manufacture hand sanitizer to IPF Sourcing. This was false; instead of using SZY's funding to source bottles of hand sanitizer, GARCIA diverted the money to accounts he and C.S. controlled and used it for personal expenditures.

Execution of the Scheme

17. On or about the dates set forth below, in the State and District of Colorado, and elsewhere, defendant **RICO TOMAS GARCIA** caused to be transmitted by means of wire communication in interstate commerce certain writings, signs, signals, pictures, and sounds, as set forth below:

Count	Date	Description of Wire
1	4/29/2020	$2,493,750 wire from Citizens Bank account to Botani-Labs JPMorgan Chase account
2	5/11/2020	$2,428,750 wire from Botani-Labs JPMorgan Chase account to Hamsa Holdings Bank of America account
3	6/23/2020	$21,000 wire from Hamsa Holdings Bank of America account to First California Escrow Comerica Bank account
4	7/13/2020	$731,267.25 wire from Hamsa Holdings Bank of America account to First California Escrow Comerica Bank account
5	10/1/2020	$10,000 wire from Hamsa Holdings Bank of America account to Driggs Title Agency
6	10/14/2020	$300,000 teller transfer from Hamsa Holdings Bank of America account to Hamsa Holdings Bank of America account
7	10/14/2020	$104,656.20 cashier's check from Granada Holdings Bank of America account made payable to Douglas County Combined Courts
8	10/15/2020	$80,343.80 cashier's check from Granada Holdings Bank of America account made payable to Douglas County Combined Courts
9	11/4/2020	$518,872.99 wire from Hamsa Holdings Bank of America account to Driggs Title Agency

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

Counts 10-15
Money Laundering, 18 U.S.C. §§ 1957(a) and 2

18. The Grand Jury re-alleges and incorporates by reference paragraphs 1-16 of this Indictment.

19. From in or around April 2020 through in or around May 2022, including on or about the dates identified below, in the State and District of Colorado and elsewhere, **RICO TOMAS GARCIA** ("the defendant"), knowingly engaged in, attempted to engage in, and aided, abetted, counseled, commanded, induced and procured, monetary transactions, specifically, deposits, withdrawals and movements and transfers of funds and monetary instruments, in and affecting interstate commerce, to entities listed below, in criminally derived property of a value greater than $10,000 that was derived from specified unlawful activity, specifically, wire fraud in violation of Title 18, United States Code, Section 1343, knowing that the property involved in such monetary transactions represented the proceeds of some form of unlawful activity, as follows:

Count	Date	Description of Wire
10	5/5/2020	$54,373.47 ACH payment from Botani-Labs JPMorgan Chase account to Capital One Auto for a vehicle
11	6/23/2020	$21,000 wire from Hamsa Holdings Bank of America account to First California Escrow Comerica Bank account for a residence in Topanga, California
12	7/13/2020	$731,267.25 wire from Hamsa Holdings Bank of America account to First California Escrow Comerica Bank account for a residence in Topanga, California
13	10/14/2020	$104,656.20 cashier's check from Granada Holdings Bank of America account made payable to Douglas County Combined Courts for a residence in Sedalia, Colorado
14	10/15/2020	$80,343.80 cashier's check from Granada Holdings Bank of America account made payable to Douglas County Combined Courts for a residence in Sedalia, Colorado

15	11/4/2020	$518,872.99 wire from Hamsa Holdings Bank of America account to Driggs Title Agency for a residence in Las Vegas, Nevada

All in violation of Title 18, United States Code, Sections 1957(a) and 2.

Forfeiture Allegation

20. The allegations contained in Counts One through Fifteen of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(1), and Title 28, United States Code, Section 2461(c).

21. Upon conviction of the violations alleged in Counts One through Nine of this Indictment involving the commission of violations of Title 18, United States Code, Section 1343, defendant **RICO TOMAS GARCIA,** pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), shall forfeit any and all of the defendant's right, title and interest in all property constituting and derived from any proceeds the defendant obtained directly and indirectly as a result of such offense, including, but not limited to: 1942 North Topanga Canyon Boulevard, Topanga, California, 90290; 7170 Dakan Road, Sedalia, Colorado 80135; approximately $5,274.24 in funds from Wise, Inc. account ending in 6151; approximately $1,373,487.58 in funds from Bank of America Account ending in 1861; and a money judgment in the amount of proceeds obtained by the defendant and the scheme.

22. Upon conviction of the violations alleged in Counts Ten through Fifteen of this Indictment involving the commission of violations of Title 18, United States Code, Sections 1957, and 2, defendant **RICO TOMAS GARCIA**, pursuant to Title 18, United States Code, Section 982(a)(1), shall forfeit any and all of the defendant's right, title and interest in any property, real or personal, involved in the offenses, or any property traceable to such property, including, but not limited to: 1942 North Topanga Canyon Boulevard, Topanga, California, 90290; 7170 Dakan Road, Sedalia, Colorado 80135; approximately $5,274.24 in funds from Wise, Inc. account ending in 6151; approximately $1,373,487.58 in funds from Bank of America Account ending in 1861; and a money judgment in the amount of property involved in the offenses.

23. If any of the property described above, 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 subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property.

A TRUE BILL

Ink signature on file in Clerk's Office
FOREPERSON

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