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U.S. DISTRICT COURT
N.D. OF ALABAMA

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GJ# 12

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

UNITED STATES OF AMERICA	)	
	)	
v.	)	**No.**
	)	
THOMAS AARON KANE,	)	
	)	
Defendant.	)	

INDICTMENT

The Grand Jury charges:

INTRODUCTION

At all times relevant to this Indictment:

1. Defendant **THOMAS AARON KANE** was the Owner and Chief Executive Officer of Keep Information Technology Simple, LLC and Keepitsimple.us LLC, both of which were information technology businesses located in Jefferson County, within the Northern District of Alabama.

2. **KANE** formed Keep Information Technology Simple, LLC, also known as Keep IT Simple, in Jefferson County, Alabama on or about September 1, 2015. Keep Information Technology Simple, LLC provided information technology services and support for businesses, mostly businesses in the healthcare industry. According to **KANE**, Keep Information Technology Simple, LLC was dissolved on December 31, 2020.

3. **KANE** formed Keepitsimple.us LLC on or about May 26, 2020. According to its Operating Agreement, the purpose of Keepitsimple.us LLC was to "Service, Support, and Provide IT, VOIP, Web Design, and Online Marketing Products and Services for the Healthcare Industry." According to **KANE**, Keepitsimple.us LLC assumed operations on January 1, 2021.

4. The business model for Keep Information Technology Simple, LLC and Keepitsimple.us LLC (collectively, "KITS") was to require payment from its customers using a credit card on file or banking information on file that would be used to pay a monthly contractual rate for services. Additionally, if a customer needed additional service or equipment, KITS would provide an invoice for the service or equipment, and, if authorized by the customer, KITS would use the credit card or financial information on file to charge the customer.

5. Business #1 is a medical practice in Columbiana, Alabama.

6. Business #2 is a medical practice in Birmingham, Alabama.

7. Business #3 is a dental practice in Trussville, Alabama.

8. Business #4 is a medical practice in Huntsville, Alabama.

COUNTS ONE through TWELVE
Wire Fraud
[18 U.S.C. § 1343]

9. The allegations contained in paragraphs 1 through 8 are hereby repeated, realleged, and incorporated by reference, as if fully set forth herein.

10. From at least July 2017 to in or around December 2021, in Jefferson County, within the Northern District of Alabama, and elsewhere, the defendant,

THOMAS AARON KANE,

knowingly devised and intended to devise a scheme and artifice to defraud customers of KITS, and to obtain money and property from customers of KITS by means of materially false and fraudulent pretenses, representations, and promises.

PURPOSE OF THE SCHEME AND ARTIFICE

11. It was a purpose of the scheme and artifice for **KANE** to unlawfully enrich himself by charging without authorization customers' credit cards or bank accounts that had been placed on file with KITS.

MANNER AND MEANS

12. It was part of the scheme that **KANE** would enter into a service contract with his customers, which would require monthly payment from customers using a credit card on file or banking information on file. Additionally, if a customer needed additional service or equipment, KITS would provide an invoice for the service or equipment, and, if authorized by the customer, KITS would use the credit card or e-check on file to charge the customer.

13. It was further part of the scheme that **KANE** began making unauthorized charges using his customers' payment information on file.

14. It was further part of the scheme that when customers would complain or ask about these unauthorized charges, **KANE** would attempt to conceal his conduct by inventing an excuse, such as stating that there had been an inadvertent double charge, an accounting/billing error had occurred, or some unidentifiable person within the company had made a mistake. In fact, as **KANE** well knew, no billing error had occurred, and there was no accounting department responsible for such an error.

15. It was further part of the scheme that when a customer would question specific charges, **KANE** would often create false invoices that he would send to the customer purporting to be a valid invoice.

16. It was further part of the scheme that **KANE** would create email address accounts for customers that he would place on documentation to give his records an appearance of legitimacy.

17. It was further part of the scheme that **KANE** would often provide refunds to customers who had caught him in his fraud. **KANE** did this in an effort to placate these victims and permit him to continue his fraudulent scheme.

18. It was further part of the scheme that **KANE** would intentionally default on lawsuits that customers brought against him.

19. It was further part of the scheme that **KANE** established Keepitsimple.us LLC in or around May 2020. Then, according to **KANE**, Keep IT

Simple ceased operations on or about December 31, 2020, and Keepitsimple.us began operations on or about January 1, 2021.

20. It was further part of the scheme that after **KANE** established Keepitsimple.us LLC, he continued to engage in the same conduct described herein.

<u>The Wire Communications</u>

21. The allegations contained in paragraphs 1 through 20 are hereby repeated, realleged, and incorporated by reference for each count below, as if fully set forth therein.

22. On or about each of the dates listed below, within the Northern District of Alabama, and elsewhere, the defendant,

THOMAS AARON KANE,

for the purpose of executing the above-described scheme and artifice, did transmit and cause to be transmitted in interstate commerce, by means of a wire communication, certain signs, signals, and communications described below for each count, each transmission constituting a separate count:

Count	Approximate Date of Transaction	Victim	Description of Wire
1	December 17, 2019	Business #1	$7,040.00 charge from Business #1's bank account ending in -9028 to Keep IT Simple
2	November 16, 2020	Business #1	$7,163.20 charge from Business #1's bank account ending in -9028 to Keepitsimple.us, LLC
3	January 29, 2021	Business #1	$8,811.00 charge from Business #1's bank account ending in -9028 to Keepitsimple.us, LLC

4	October 5, 2020	Business #2	$2,748.90 charge from Business #2's bank account ending in -1641 to Keepitsimple.us, LLC
5	October 6, 2020	Business #2	$5,600.01 charge from Business #2's bank account ending in -1641 to Keepitsimple.us, LLC
6	October 6, 2020	Business #2	$7,646.08 charge from Business #2's bank account ending in -1641 to Keepitsimple.us, LLC
7	June 4, 2021	Business #3	$1,420.10 charge on Business #3's credit card ending in -8142 to Keepitsimple.us LLC
8	June 15, 2021	Business #3	$2,013.91 charge on Business #3's credit card ending in -8142 to Keepitsimple.us LLC
9	July 12, 2021	Business #3	$1,755.60 charge on Business #3's credit card ending in -8142 to Keepitsimple.us LLC
10	August 12, 2021	Business #4	$4,510.63 charge from Business #4's bank account ending in -2756 to Keepitsimple.us LLC
11	November 23, 2021	Business #4	$3,100.23 charge from Business #4's bank account ending in -2756 to Keepitsimple.us LLC
12	December 22, 2021	Business #4	$3,998.50 charge from Business #4's bank account ending in -2756 to Keepitsimple.us LLC

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

COUNTS THIRTEEN through SEVENTEEN
Wire Fraud
[18 U.S.C. § 1343 & 1349]

23. The United States Small Business Administration ("SBA") was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses.

24. The SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans had government-backed guarantees. In addition to traditional SBA funding programs, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act established several new temporary programs and provided for the expansion of others to address the COVID-19 pandemic, which was declared a nationwide disaster by the President on March 13, 2020.

25. One of the new programs was the SBA Paycheck Protection Program ("PPP"), which was a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. Under this program, the SBA could forgive all or part of loans if employees were kept on the payroll for eight weeks and borrowers submitted documentation confirming the loan proceeds were used for certain qualifying business expenses (i.e., payroll, rent, mortgage interest, or utilities).

26. Interested applicants applied through an existing SBA lender or any other participating federally insured financial institution. The PPP application process required applicants to submit a Borrower Application Form through an SBA-approved financial entity. The application contained information as to the purpose of the loan, average monthly payroll, number of employees, and background of the business and its owner. Applicants were also required to make certain good faith certifications, including that economic uncertainty had necessitated their loan requests for continued business operations, and that they intended to use the loan

proceeds only for the authorized purposes. Applicants were also required to certify that the information provided in the application and all supporting documentation is true and correct in all material respects and that knowingly making a false statement to obtain the loan is punishable under federal law.

27. Lender #1 was an SBA-approved PPP lender headquartered in Pennsylvania.

28. Lender #2 was an SBA-approved PPP lender headquartered in New York.

The Scheme and Artifice

29. Beginning on or about April 4, 2020, and continuing to on or about May 5, 2021, within Jefferson County, in the Northern District of Alabama, and elsewhere, defendant

THOMAS AARON KANE

devised and intended to devise a scheme and artifice to defraud the United States, the SBA, and others, and to obtain money and property belonging to the United States, the SBA, and others, by means of materially false and fraudulent pretenses, representations, and promises.

Purpose of the Scheme and Artifice

30. It was a purpose of the scheme and artifice for **KANE**, by submitting false PPP loan applications, to unlawfully obtain PPP funds to which he was not entitled, in violation of the terms of the PPP loan agreements.

Manner and Means

31. It was a part of the scheme and artifice that on or about April 4, 2020, **KANE** applied for a PPP loan in the amount of $193,900 from Lender #1 on behalf of his business, Keep Information Technology Simple LLC. Then, on or about April 15, 2020, **KANE** falsely represented to Lender #1 in a Paycheck Protection Program Certification that Keep Information Technology Simple LLC did not have any other PPP loan applications pending, when **KANE** knew that he had submitted a PPP loan application on behalf of Keep Information Technology Simple LLC to Lender #2 just one day prior.

32. It was a further part of the scheme and artifice that **KANE** caused an electronic transfer of $193,900 from Lender #1 into Keep Information Technology Simple's bank account in Birmingham, Alabama.

33. It was a further part of the scheme and artifice that on or about December 24, 2020, **KANE** submitted a PPP Loan Forgiveness Application Form seeking forgiveness of the April 2020 PPP loan with Lender #1.

34. It was a further part of the scheme and artifice that on or about January

15, 2021, **KANE** applied for a PPP loan in the amount of $208,051 from Lender #2 on behalf of his business, Keep Information Technology Simple LLC. In his application, **KANE** certified that these "funds will be used to retain workers and maintain payroll; or make payments for mortgage interest, rent, utilities, covered operations expenditures, covered property damage costs, covered supplier costs, and covered worker protection expenditures as specified under the Paycheck Protection Program Rules."

35. It was a further part of the scheme and artifice that **KANE** caused an electronic transfer of $208,051 into Keep Information Technology Simple's bank account in Birmingham, Alabama as a result of the false and fraudulent January 2021 PPP loan application to Lender #2.

36. It was a further part of the scheme and artifice that despite certifying in his January 15, 2021 application that the funds would only be used for authorized purposes, **KANE** received $208,051 from Lender #2 on or about May 5, 2021 and then used $150,000 of these PPP funds to repay a prior customer on the same date.

37. It was a further part of the scheme and artifice that on or about January 10, 2022, **KANE** submitted a PPP Loan Forgiveness Application Form seeking forgiveness of the January 2021 PPP loan with Lender #2.

38. It was a part of the scheme and artifice that on or about January 19, 2021, **KANE** applied for a PPP loan in the amount of $225,000 from Lender #1 on

behalf of his business, Keep Information Technology Simple LLC. It was a further part of the scheme and artifice that on or about February 27, 2021, **KANE** falsely represented to Lender #1 in a Paycheck Protection Program Certification that Keep Information Technology Simple LLC did not have any other second draw PPP loan applications pending, when **KANE** knew that he had submitted a second draw PPP loan application on behalf of Keep Information Technology Simple LLC to Lender #2 just a few days prior. Additionally, KANE certified that his business had not and would not receive another PPP loan, other than the first draw PPP Loan from Lender #1. As **KANE** knew, this certification was false, as **KANE** had obtained a first draw PPP Loan from Lender #2 in 2020.

39. It was a further part of the scheme and artifice that **KANE** would and did cause an electronic transfer of $225,000 from Lender #1 into Keep Information Technology Simple's bank account in Birmingham, Alabama.

40. It was a further part of the scheme and artifice that **KANE** would and did submit a PPP Loan Forgiveness Application Form seeking forgiveness of the February 2021 PPP loan with Lender #1.

41. It was a further part of the scheme and artifice that on or about February 17, 2021, **KANE** applied for a PPP loan in the amount of $225,000 from Lender #2 on behalf of his business, Keepitsimple.us LLC. This PPP loan application contained material misrepresentations and fraudulent supporting documentation, examples of

which include:

a. **KANE** certified that this business was established on September 1, 2015 and that this business was in operation on February 15, 2020. **KANE** knew this information was false, as Keepitsimple.us LLC was not established until May 26, 2020.

b. **KANE** submitted a false 2019 and 2020 IRS Form 941 (Employer's Quarterly Federal Tax Returns) purportedly from Keepitsimple.us LLC. As **KANE** knew, these documents were false, as Keepitsimple.us did not file an IRS Form 941 with the IRS in 2019 or 2020.

42. It was a further part of the scheme and artifice that on or about March 8, 2021, **KANE** applied for a PPP loan in the amount of $230,000 from Lender #2 on behalf of his business, Keepitsimple.us LLC. This PPP loan application contained material misrepresentations and fraudulent supporting documentation, examples of which include:

a. **KANE** certified that this business was established on September 1, 2015 and that this business was in operation on February 15, 2020. **KANE** knew this information was false, as Keepitsimple.us LLC was not established until May 26, 2020.

b. **KANE** submitted a false 2019 and 2020 IRS Form 941 (Employer's Quarterly Federal Tax Returns) purportedly from Keepitsimple.us

LLC. As **KANE** knew, these documents were false, as Keepitsimple.us did not file an IRS Form 941 with the IRS in 2019 or 2020.

The Wire Communications

43. The allegations contained in paragraphs 23 through 42 are hereby repeated, realleged, and incorporated by reference for each count below, as if fully set forth therein.

44. On or about the dates listed below, in Jefferson County, within the Northern District of Alabama, and elsewhere, the defendant,

THOMAS AARON KANE,

for the purpose of executing the scheme and artifice described above and attempting to do so, knowingly and intentionally transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce the writings, signs, signals, pictures, and sounds described below, each transmission constituting a separate count:

COUNT	APPROXIMATE DATE OF WIRE	DESCRIPTION OF WIRE
13	April 16, 2020	A wire transfer in the amount of $193,900 in PPP loan funds, sent from Lender #1 to a Keep Information Technology Simple LLC bank account in the Northern District of Alabama
14	February 8, 2021	A wire transfer in the amount of $225,000 in PPP loan funds, sent from Lender #1 to a Keep Information Technology Simple LLC bank account in the Northern District of Alabama
15	February 17, 2021	False application to Lender #2 for PPP loan in the amount of $225,000

16	March 8, 2021	False application to Lender #2 for PPP loan in the amount of $230,000
17	May 5, 2021	A wire transfer in the amount of $208,051 in PPP loan funds, sent from Lender #2 to a Keepitsimple.us LLC bank account in the Northern District of Alabama

All in violation of Title 18, United States Code, Sections 1343 and 1349.

COUNT EIGHTEEN
Unlawful Monetary Transaction
[18 U.S.C. § 1957]

45. On or about May 5, 2021, in the Northern District of Alabama, and elsewhere, the defendant,

THOMAS AARON KANE,

knowingly engaged in and attempted to engage in a monetary transaction by, through, and to a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than $10,000, that is, a $150,000.00 payment to a prior victim, such property being derived from a 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.

COUNT NINETEEN
Bankruptcy Fraud
[18 U.S.C. § 152(5)]

46. On or about December 31, 2021, Keep Information Technology Simple, LLC filed a voluntary petition for bankruptcy under Chapter 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Alabama. This petition was given Case Number 21-02987-TOM11.

47. On or about December 31, 2021, Keepitsimple.us LLC also filed a voluntary petition for bankruptcy under Chapter 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Alabama. This petition was given Case Number 21-02986-DSC11.

48. These two petitions were consolidated for procedural purposes and were jointly administered by the Court under Case Number 21-02986-DSC-11.

49. The filing of a bankruptcy petition by these debtors created a bankruptcy estate that included all legal and equitable interests of the debtors in property as of the commencement of the cases.

50. On or about April 18, 2022, **KANE** withdrew $20,941.66 via Cashier's Check from a Keepitsimple.us bank account at Regions Bank. That same day, **KANE** deposited the proceeds from this Cashier's Check into his personal bank account at Chase Bank ending in -0251.

51. On or about April 18, 2022, in the Northern District of Alabama, and elsewhere, the defendant,

THOMAS AARON KANE,

did knowingly and fraudulently receive from Keepitsimple.us LLC, Debtor, in the case filed December 31, 2021 under Title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Alabama, Case Number 21-02986-DSC11, a material amount of property, that is, a Cashier's Check in the amount of $20,941.66, with intent to defeat the provisions of Title 11.

All in violation of Title 18, United States Code, Section 152(5).

NOTICE OF FORFEITURE
[18 U.S.C. §§ 981(a)(1)(C), 982(a)(2)(A), and 28 U.S.C. § 2461(c)]

1. The allegations contained in Counts One through Eighteen of this Indictment are re-alleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 981(a)(1)(A) and (C), 982(a)(1)-(2), and Title 28, United States Code, Section 2461(c).

2. Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1343 and/or 1957, set forth in Counts One through Eighteen of this Indictment, the defendant shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 982(a)(2)(A), and Title 28, United States Code, Section 2461(c), any and all property constituting, or derived from, proceeds the defendant obtained directly or indirectly, as a result of the commission of said

offenses, including but not limited to, a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses.

3. If any of the above-described forfeitable property, 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;

the United States shall be entitled to forfeiture of substitute property, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code, Section 2461(c).

A TRUE BILL

*/s/ Electronic Signature*_______________
FOREPERSON OF THE GRAND JURY

PRIM F. ESCALONA
United States Attorney

*/s/ Electronic Signature*__________
RYAN S. RUMMAGE
Assistant United States Attorney