IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,

Plaintiff,

v.

RICHARD RAMOS HERNANDEZ,

Defendant.

CRIMINAL NO. 25-352 (ADC)

INFORMATION

ONE COUNT

Count 1: 18 USC § 1343

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THE U.S. ATTORNEY CHARGES:

COUNT ONE
(Wire Fraud, 18 U.S.C. § 1343)

At all times relevant to this Information:

General Allegations

1. The Paycheck Protection Program ("PPP") was a COVID-19 pandemic relief program administered by the Small Business Administration ("SBA") that provided forgivable loans to small businesses for job retention and certain other expenses. The PPP permitted participating third-party lenders to approve and disburse SBA-backed PPP loans to cover payroll, fixed debts, utilities, rent/mortgage, accounts payable and other bills incurred by qualifying businesses during, and resulting from, the COVID-19 pandemic.

2. The SBA oversaw the PPP. However, individual PPP loans were issued by private, approved lenders who received and processed PPP applications and supporting documentation, and then made loans using the lenders' own funds, which were 100% guaranteed by the SBA. Data from the application, including information about the borrower, the total amount of the loan, and the listed number of employees, was transmitted by the lender to the SBA in the course of

processing the loan. As per SBA rules, all loans were processed by lenders under delegated authority and lenders were permitted to rely on certifications of the borrower in order to determine eligibility of the borrower and the use of loan proceeds.

3. To obtain a PPP loan, a qualifying business had to submit a PPP loan application to an SBA participating lender, which was signed by an authorized representative of the business. The PPP loan application required the business (through its authorized representative) to acknowledge the program rules and make certain affirmative certifications to be eligible to obtain the PPP loan.

4. As part of the PPP loan application, the business (through its authorized representative) had to disclose, among other things, the following:

a. All owners of 20% or more of the equity of the applicant business,

b. If any owner of the applicant business was involved in any bankruptcy,

c. If any owner of the applicant business was an owner of any other business or had any common management with any other business.

5. As further part of the PPP loan application, the business (through its authorized representative) had to certify, among other things, the following:

a. That economic uncertainty at the time of application made the loan request necessary to support the operations of the business,

b. That the funds would be used to retain workers and maintain payroll,

c. That the information provided in the application and the information provided in all supporting documents and forms was true and accurate in all material respects and that it understood that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including "… if submitted to a federally insured institution, under 18 USC 1014".

6. The proceeds of a PPP loan could be used for certain specified items, such as payroll costs, costs related to the continuation of group health care benefits, or mortgage interest payments.

The proceeds of a PPP loan were not permitted to be used by the borrowers to purchase consumer goods, automobiles, personal residences, clothing or jewelry, to pay the borrower's personal income taxes, or to fund the borrower's ordinary day-to-day living expenses unrelated to the specified authorized expenses.

7. All Market and Bakery LLC was a limited liability company registered on February 11, 2015, with the Puerto Rico Department of State and operated as an establishment in the Municipality of Humacao that produced and sold baked goods, food, beverages, and convenience related products.

8. Defendant RICHARD RAMOS HERNANDEZ had an ownership interest in All Market and Bakery LLC.

9. On or about January 4, 2019, defendant RICHARD RAMOS HERNANDEZ filed and caused the filing of a voluntary petition for relief under Chapter 13 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Puerto Rico, in the proceeding titled *In re: RICHARD RAMOS HERNANDEZ*, Case No. 19-00021(ESL).

10. On or about May 6, 2024, defendant RICHARD RAMOS HERNANDEZ received a discharge under Chapter 13 and the case was closed on May 20, 2024.

11. On or about April 30, 2020, a PPP Loan Application on behalf of All Market and Bakery LLC was submitted through a third-party participating lender in the PPP. The application was approved on May 1, 2020, and the funds were disbursed to All Market and Bakery LLC on May 11, 2020.

12. On or about April 30, 2020, as part and in support of the PPP Loan Application, a Promissory Note was submitted on behalf of All Market and Bakery LLC.

13. To receive PPP Loan Forgiveness a borrower must complete and submit the Loan Forgiveness Application (SBA Form 3508EZ) and supporting documents to its lender. The lender will review the application and make a decision regarding loan forgiveness.

14. If the lender determines that the borrower is entitled to forgiveness of some or all of the amount applied for under the statute and applicable regulations, the lender must request payment from SBA at the time the lender issues its decision to SBA.

15. In or about March 2021, All Market and Bakery LLC submitted a Loan Forgiveness Application through a third-party participating lender in the PPP. The Forgiveness Application was approved, and the Small Business Administration remitted to the Lender $15,000.00 and $134.58 in interest on or about March 30, 2021.

The Scheme to Defraud

16. Beginning on or about April 30, 2020, and continuing through on or about March 30, 2021, in the District of Puerto Rico, defendant RICHARD RAMOS HERNANDEZ devised a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises as part of a PPP Loan Application.

Manner and Means of the Scheme to Defraud

17. It was part of the scheme and artifice to defraud that defendant RICHARD RAMOS HERNANDEZ transmitted and caused to be transmitted by means of wire communication in interstate commerce a Paycheck Protection Program Borrower Application Form and other documents, which he signed, caused to be signed, and submitted as true and correct, in which the defendant intentionally omitted and concealed material facts and provided materially false and misleading information.

18. It was further part of the scheme and artifice to defraud that during the course of the PPP Loan Application, defendant RICHARD RAMOS HERNANDEZ falsely claimed that a person with initials M.M.T. owned 100% of All Market and Bakery LLC.

19. It was further part of the scheme and artifice to defraud that during the course of the PPP Loan Application, defendant RICHARD RAMOS HERNANDEZ falsely answered "no" when

asked to disclose if the applicant or any owner of the applicant was presently involved in any bankruptcy.

20. It was further part of the scheme and artifice to defraud that during the course of the PPP Loan Application, defendant RICHARD RAMOS HERNANDEZ falsely certified that "the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects."

21. On or about each of the dates set forth below, in the District of Puerto Rico and within the jurisdiction of this Court, the defendant,

[1] RICHARD RAMOS HERNANDEZ

for the purpose of executing the scheme described above caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE	WIRE
1	April 30, 2020	Paycheck Protection Program Borrower Application Form on behalf of All Market and Bakery LLC.

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

FORFEITURE NOTICE

22. The allegations in this Information are realleged and incorporated by reference for the purpose of providing notice of forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(C), 982(a)(1), and 28 U.S.C. § 2461(c).

23. The United States gives notice to the defendant charged in this Information, that upon conviction of the offense alleged in Count 1 of this Information, the defendant shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C), (D)(v), and (D)(vi) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense.

Substitute Assets

24. The defendant charged in this Information is notified that if property subject to forfeiture, because 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 will seek to forfeit any other property of the defendant up to the total value of the property subject to forfeiture pursuant to 21 U.S.C. § 853(p), as incorporated by reference in 18 U.S.C. § 982(b) and 28 U.S.C. § 2461(c).

W. STEPHEN MULDROW
United States Attorney

SETH ERBE Digitally signed by SETH ERBE Date: 2025.07.21 11:54:55 -04'00'

Seth A. Erbe
Assistant United States Attorney
Chief, Financial Fraud & Public Corruption Section

Jose Carlos Diaz-Vega
Special Assistant U.S. Attorney